The big oil battle: p. 25 What you pay in fringes: p. 13

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Study Atlantic Problems

Arthur Johnson, of St. John's, Nfld., is the 1960-61 president of the Atlantic Provinces Economic Council. He assumes the post for a second term, as APEC and the Atlantic Provinces' premiers take their hardest look yet at the region's problems (see p. 28). Mr. Johnson is also Newfoundland's deputy minister of economic development, and president of Johnson Insurance Agencies Ltd.

NATION'S BUSINESS

Why Ownership Goes Abroad

One reason why foreign investors continue to grab off such large slices of ownership in Canadian industry is that there are few large and willing sources of equity capital at home.

One potentially great source of ownership money in Canada is the life insurance industry. But, among excuses for their deep diffidence in stock purchasing, some life company officials say they fear that ownership of Canadian industry would tend to become too concentrated in the big insurance firms if they became substantial stock buyers. This, they declare, might invite sharp criticism and probably more regulation.

But an **FP** study of the holdings of Canadian mutual funds raises very great doubt whether the life companies really would encounter this concentration problem, certainly for a very long time.

After nearly 30 years of operation, mutual funds have amassed portfolios that include more than $650 million in 270 Canadian common and participating stocks. But this is only 3½% of the $18 billion market value of all the shares of this type issued by these 270 companies.

In relation to all Canadian stocks available, this $650 million is a still much smaller segment and it is a mere drop in the bucket if the big private firms and wholly owned subsidiaries of foreign companies are taken into account.

The Canadian life companies own only about $100 million of Canadian stocks at the moment. Closed end investment companies own about $100 million to $150 million and pension funds perhaps $200 million. Canadian mutual funds (excluding U. S.-owned funds specializing in Canada) hold about $350 million.

The facts make it very clear that institutional buying of Canadian equities can go very much further before any of the alleged perils become threatening.

Who really owns Canada is now a question deservedly getting some official attention.

Officialdom might very well have another look at its tax policies which have the direct result of putting a constant flow of companies up for sale, many of these virtually forced sales creating situations of special attraction to U. S. buyers.

Most Canadian life companies are unlikely to make any significant change in their investment habits because the present pattern is almost fool-proof and it exposes its executants to minimum bother, risk and criticism both inside and outside their offices.

* * *

The McCarthyites Ride Again

In the panic and frenzy that currently pervades the United States, it is not surprising that McCarthyism is again on the warpath.

The collapse of the Summit last May brought some McCarthyites out of the woodwork with demands for investigations into almost anybody less than totally full of adulation for Uncle Sam. Now, the recent series of defections by Americans, some of them officials in hush-hush U. S. agencies, has started the howling again. In fact, Washington is more security risk conscious now than it has been since the heyday of McCarthy.

Rep. Francis Walter, Chairman of the House UnAmerican Activities Committee, is on the prowl looking for official scalps. He is sure there is a plot somewhere. He even came close to accusing Eisenhower of being UnAmerican for not giving him all the information he wants for an investigation into the two National Security Agency defectors.

Senators Eastland and Dodd, both of whom aspire to McCarthy's mantle, now charge there was a dark communist plot in the State Department to kick Batista out of Cuba and put in Castro. These same State Department "unknowns" are the ones blamed by Messrs. Eastland and Dodd for letting the communists take over in China.

Canada gets involved. House UnAmerican Activities Committee Chairman Walter has renewed the Congressional witch-hunting of the late Canadian Ambassador Herbert Norman. Walter says he has "new information" on the Norman case; that he has a "duty" to follow this up.

Chairman Walter, incidentally, also has said he is decidedly unhappy about Canadian attitudes about communists. "Very bad for us," he says. "I don't like it."

Isn't that just too bad?

Retailers Move Against Suppliers

By DON PEACOCK

OTTAWA (Staff)—The Combines Branch has received its first complaints under the new section of the law prohibiting discriminatory promotion allowances (**FP**, Sept. 3, Aug. 27).

The couple that have been received so far are being studied to see if they warrant full investigations.

For the moment, promotion allowance omplaints are being dealt with the same as any other complaints under anti-combines law.

But if a flood starts pouring into the branch, then an effort will likely be made soon to suggest a uniform procedure—possibly a list of questions that should be answered in the initial complaint information.

Meantime, David Henry, new Combines Investigation chief, has had informal discussions with people seeking guidance on application of the new law.

He told FP he realizes the business community would like more precise guidance on how to judge when a situation warrants a complaint.

This would not be possible, however, until the branch has gained some experience in administering the new provision.

Cubans May Come Back To Canadian Newsprint

MONTREAL (Staff) — There have been strong indications in the past week that Cuba wants to switch the bulk of its newsprint buying back to Canada.

But Havana may find Canadian suppliers tough to deal with. The credit rating of the Castro regime has hit rock bottom.

The move back to Canada would be a serious defeat for the Soviet trade offensive.

This summer the Russians began making substantial deliveries of newsprint into what had been Canada's fourth largest export market — after the U. S., Britain and South Africa.

Both Moscow and Havana made great propaganda out of the deal.

Last year Canada supplied 35,000 tons of the island's total imports of 37,000 tons. So far this year we have supplied about 8,000 tons.

Since July this year the Russians have delivered about 5,700 tons — as nearly as Canadian newsprint men can estimate. The Cuban-Russian trade pact calls for monthly deliveries of not less than 1,000 tons.

However the quality of the Soviet newsprint has turned out to be extremely low.

Even the Communist-line daily "Revolucion" has complained long and loud about frequent failures on the presses.

Canadian International Paper Co. has been by far the major supplier of the Cuban market. An executive of the company told **FP** that payments for shipments are still being made "but very, very slowly".

It is felt in newsprint producing circles that any Canadian company approached by Havana is going to demand "cash on the barrel" before a single ton is shipped.

Reports from Cuba last week suggest the government's trading bank may be prepared to pay by letters of credit on accounts outside the island.

Actually, apart from the risk of non-payment, Cuba has become a much less attractive market for newsprint suppliers in the last year.

Consumption in 1959 was 45,000 tons. The 1960 figure seems likely to be nearer to 25,000 tons.

This is despite some thumping circulation increases. For instance "Hoy", the official Communist party paper, had a circulation of 300 when Fidel Castro came down from the hills to take command, today it reports 60,000.

But advertising has greatly fallen off. With every seizure of a foreign concern, observers report, the newspapers lose another advertiser.

From the viewpoint of straight economics, Russia

(Continued on page 2, col. 6)

Big European Stocks May Be Listed in Canada Soon

By ERIC RICHTER

MONTREAL (Staff)—Canadian investors may soon be able to buy and sell a variety of seasoned European equities on the Montreal Stock Exchange.

This week the Exchange's energetic new president, Eric Kierans, left for a four-week tour of Europe.

His object: to persuade some 60 big name public companies to list in Montreal.

If they agree trading in the stock of the overseas companies would be through Canadian depository receipts.

The receipts — similar to the American depository receipts (ADR's) of the U. S. — are in effect IOUs issued by a local trust company for actual shares of stock that are held by it, or its agent, in a foreign country.

The depository receipts overcome red tape and many problems involved in physical transfer of stock certificates across the Atlantic, a procedure which can sometimes take several months.

Indications are that if sufficient overseas stocks list in Montreal, the MSE likely will establish an "international" section on its board.

If the listed market for European securities in Montreal comes into being, it will be the first of its kind in Canada.

Exchange officials say listing here should make it considerably easier for Canadians to invest in European securities and thereby participate in the benefits, if any, that may accrue from the formation of the new trading blocs there.

For Montreal brokers, attraction of the scheme is that it gives many of them additional range in securities that they can buy and sell for clients.

Decision to seek European securities for listing on the MSE is seen by Montreal's investment community as a second step to the recently established alliance beween the Boston and Montreal Stock Exchanges (**FP**, Sept. 3).

The agreement, which gives brokers access to securities on each other's boards at full commission, was formally approved last week. Trading under the scheme was expected to start Sept. 23.

Effect of the MSE and BSE alliance is to give Montreal members access to some 400 U. S. industrials at full commission less a small service fee.

If the European plan goes through, range of foreign stocks

(Continued on page 8, col. 5)

Signs & Portents

WATCH FOR new public facsimile service between Toronto and Montreal. You will be able to send drawings, advertising copy layouts, documents, sketches and photographs just as you would a telegram. The service later will be expanded across Canada.

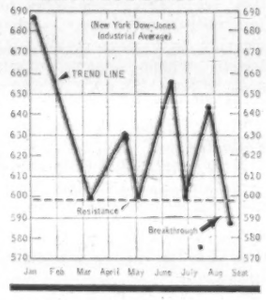
* * *

CANADIAN professional golfers plan to build superior-quality championship course in Metropolitan Toronto area, to attract world's top players. Famous Masters' course at Augusta, Ga., will be the model. Courses will be strictly pay-as-you-play.

* * *

SPACE VOYAGEURS will have it rough enough dining on pills and algae, even if they taste like steak or caviar. Now scientists suggest the astronauts should eat parts of the space ship itself—such as the bulkhead and fuel tank — which will be made edible. Might solve railway dining car problems, too?

NEW YORK MARKET: WHERE IS NEXT RESISTANCE LEVEL?



Stock Market Confused

By P. T. DURRANT

Investor uncertainty over the level of business activity in the months ahead is probably playing a big part in current widespread softness in stock prices.

Other factors: Cold war jitters and, for the U. S. anyway, the unsettling influence of the forthcoming elections.

Monday's sharp drop on Wall Street — the worst in five years — decisively broke through the so-called 600 resistance level on the Dow-Jones industrial average, and triggered off a more moderate decline on Canadian stock exchanges.

Analysts don't agree on how much farther down the market will go.

Several feel, however, that although it has still to touch bottom, the extent of any further decline may not be too severe.

However, they point out that there has been no evidence yet of any selling climax and that the pattern for a strong rise is still absent.

Canadian brokers feel local markets are holding up well in

(Continued on page 2, col. 6)

Like to Have Your Very Own Private Canal?

OTTAWA (Staff) — Like to have your own private canal?

The Department of Transport is expected to call tenders soon on the 15-mi-long Soulanges Canal, on the St. Lawrence River just west of Montreal Island.

DOT hopes to sell the whole set-up — locks, water, adjoining land and all.

Most probable use: As a waterfront cottage area.

An informal estimate of the value of the land involved is about $160,000, with another $70,000 to $80,000 for the buildings.

Several people have expressed interest in buying the old canal property. Mainly for speculative or land development purposes, and plans are going ahead now for eventual calling of tenders.

Some 15 homes on property until now leased from DOT have been offered for sale to their leaseholders.

It is expected all will eventually decide to buy their homes from DOT.

The Quebec Government has expressed interest in a strip of

(Continued on page 2, col. 4)

Trading Stamp Growth Plans Grind to Halt

The future of Canada's multi-million-dollar trading stamp industry may hang on one court case.

Nobody's making any more big expansion moves until the legal air gets cleared.

Even Charles R. McFadden, whose cloak-and-dagger coup last year made him a major figure in the industry, has eased up on his stamp plans.

By RAY MAGLADRY

Trading stamp company expansion plans have come to a virtual standstill in Canada, as the multi-million-dollar industry faces its biggest test this fall.

Next month, the Supreme Court of Canada will deal with the broad concept of trading stamps when it hears the appeal of a Manitoba court case (**FP**, Feb. 6, 1960).

One kind of ruling by the Supreme Court could squash the trading stamp industry in Canada.

Charles R. McFadden, boss of **Blue Chip Premium Co.** of Toronto, and one of the major figures in our trading stamp industry, already has started to put more emphasis on other lines of his business.

McFadden, in a real cloak-and-dagger and backdoor operation, hit the big-time in stamps last year with a surprise **Loblaw's** stamp scheme.

Another symptom of the legal uncertainty facing the stamp industry:

Sperry & Hutchinson Co., a big U. S. stamp firm, opened a public relations office in Toronto last year, presumably with an eye to setting up a stamp plan.

The pr office has been active in the fight between pro-stampers and anti-stampers in Canada, but there's no sign of any actual move into the field yet.

"We think they're waiting until the legal air is perfectly clear," a stamp company official told **FP**.

The Supreme Court of Canada case is so important that an Ontario case (**FP**, July 2, 1960) against McFadden's Blue Chip has been adjourned to Oct. 24 to await the big decision.

McFADDEN

Blue Chip—like other stamp companies and their clients—has a major volume of business riding on the outcome.

"Because of this legal uncertainty, I have reminded my people not to give all their attention to stamps," Blue Chip president McFadden says.

While the stamp issue rages, McFadden carefully nurtures and promotes his first love—prize incentive programs for Canadian business and industry.

Through his firm, **Prize Incentives Ltd.,** Toronto-born McFadden has climbed to the top echelons of this steadily growing business technique.

The cornerstone beliefs of this phase of McFadden's business:

"If you dangle a merchandise premium in front of a salesman, he'll go out and sell more.

"In the same way, you can promote staff courtesy, improve business housekeeping, encourage safety, cut absenteeism."

Every year, over 500 Canadian companies and organizations run some kind of incentive program carrying product prizes—occasionally free travel jaunts.

"People won't do their best work for mere cash any more," McFadden says.

His firm has the big share of the incentive business.

But it's in the field of trading stamps where he has most recently made his name.

Last year, giant supermarket chains in the lush Toronto and southern Ontario market waited and watched nervously as competition got sharper and sharper.

A promotional explosion was coming — the best guess was trading stamps.

Quietly behind the scenes, McFadden was working with two executives of Loblaw's chain in readying the dynamite and fuse.

It was a carefully planned coup which "would rock the opposition on its heels".

It was also destined to rocket McFadden's company toward the top of the stamp business.

The stamps until then were used only in Quebec, the Ottawa valley, with only splattering appearances in a few other cities.

McFadden's job was to prepare a jazzy, multi-color catalogue of merchandise premiums, print millions of Lucky Green

(Continued on page 2, col. 4)

Subsidy for Railways Looks Like Sure Thing

By CLIVE BAXTER

Strike ballots were on the way to 118,000 non-operating railwaymen this week.

Neither the railways, unions nor government doubts when the ballots are returned in five or six weeks, the vote will be overwhelmingly to strike.

The non-ops have nothing to lose by calling a strike. They know that the federal government won't allow a tie-up to last more than a few days if at all. And betting in rail and labor circles this week is 1,000 to 1 that Ottawa will step in to head off the strike before it gets started.

The non-ops' disputes with the railways have assumed a fairly rigid and time-honored formula.

Here's the almost certain timetable for the next few weeks:

• **Frank Hall and the other non-ops union leaders** should have the results of the strike vote about Oct. 20. Then a nation-wide stoppage will be called, possibly for late November.

This gives Ottawa time to act. As the unions have the federal conciliation board's majority support for their wage claims they are counting on government approval.

For that reason observers think it highly unlikely that Hall would pull a quick strike without giving Ottawa a chance to look for a solution.

• **Almost as soon as the strike is announced,** the prime minister is expected to name a federal mediator whose wretched task will be to "attempt to bring the two parties to a point of agreement."

It will be up to him to report back to the cabinet on the situation. Traditionally this serves no other purpose than to gain a little more time. Both sides have made their stand perfectly clear and cannot be expected to yield.

What might happen next has everyone guessing.

The government has stated that freight rates are to remain frozen until the present Royal Commission examining the subject makes its report—probably next spring.

So Ottawa can hardly grant another rate increase.

And, anyway, neither railway wants one.

Executives of both lines agree that even if Ottawa were to allow them a general increase of 10% or 15%, they couldn't apply it without losing a great deal

(Continued on page 2, col. 2)

The Outlook

An FP roundup of the latest facts and expert opinion on the economic weather ahead . . .

By *DALTON ROBERTSON*

THIS WEEK, the bulls about business prospects got two new setbacks and the more numerous bears found some of their gloomier expectations were being realized.

▸ **Stock markets in the U. S. took their sharpest one-day plunge in five years** and Canadian markets fell in sympathy, although not as sharply.

New York industrial stock prices dropped 2.3% on average while industrials on the Toronto market slipped 1.5%. At midweek, prices were still uncertain, showing no inclination to stage a turnabout. (See article this page.)

▸ **New Ottawa figures reveal that mid-summer unemployment shot up to a postwar record.**

It's estimated that 4.9% of Canada's work force was job hunting in late August. This makes a poor contrast with 3.7% a year ago when the economy was in a healthier state and 4.5% two years ago when business was still staging its comeback from the last recession.

The situation is not all black: Employment edged up 20,000 between July and August to reach 6.3 million. **But the growth in jobs wasn't as fast as the growth in Canada's work force and this meant there were 322,000 job-seekers in August,** 11,000 more than a month before and 83,000 more than a year earlier.

Unusually high unemployment at mid-summer—and at the peak of the business cycle—has the labor experts worried. It suggests that **perhaps some 700,000 Canadians or one in every seven, may well be job hunting at mid-winter.**

That's an estimate that will give retailers, especially if they sell the big ticket items, something to mull over. But even more worrisome to business planners are the fundamental changes that seem to be taking place in Canada's work force. **These aren't changes that augur well for prosperity:**

• More and more women are holding down jobs while **fewer men are employed now than a year ago.** There was a 75,000

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Look For It Here

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The Outlook

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increase in the total number of jobs between July last year and July this year—but the number of working women had increased by 80,000 and the number of men with jobs had declined by 5,000.

In August the trend worsened: The month's 20,000 increase in jobs resulted from a 33,000 gain for women and a 13,000 loss in jobs for men.

The implication: Lower per capita incomes, a development that somewhat dims prospects for Canadian retailers.

• More and more jobs are available in the service industries such as retail trade, commercial and personal services, **while employment is slipping back in the key manufacturing industry.** Result: An 83,000 year-to-year increase in unemployment, mostly men, mostly in the goods producing industries.

The implication: Rising demand for the less skilled people only and, since they earn less on average, possible cutbacks in per capita consumer spending which will further aggravate the problems of manufacturers who depend on domestic sales.

• **Unusually large growth in the work force** (which includes job-seekers as well as job holders). It's a result, largely, of the fact that when men are unemployed, the women in the family often go back to work.

In August, the total work force was 198,000 bigger than a year earlier. The increase in the previous year was, by contrast, only 119,000.

The implication: Until Canada's manufacturing industries are helped or spurred into greater activity, our unemployment problems may well worsen.

* * *

This week's crack in stock prices is being attributed, in part, to mounting international tensions over the Congo and in the U. N. But it's equally clear that developments on the U. S. business front provide stocks with little cause for buoyancy:

• **Industrial production in the U. S. has been on the downtrend since May.** In August, the Federal Reserve's index of output registered 109, off almost 2% from the peak reached last January.

• **Steel output is currently a bit better than in recent weeks, but U. S. mills are still operating at only 52% - 54% of capacity** as against last January's 90%—and most industry experts look for little rise during the next month or six weeks.

• **Business failures,** as counted up by Dun & Bradstreet, are currently running 24% ahead of last year.

• **Consumer income in the U. S. rose in July and August, but only by a whisker** compared to the rate of increase in the first half of this year. Largely as a result, consumers were standoffish about buying, retail sales in July were the lowest in three months and August results were probably little better.

• **U. S. job hunters represented 5.9% of the work force in August,** seasonal factors discounted. This is uncomfortably above the 1947-59 average rate of 4.5%.

If a slowdown in manufacturing growth in Canada dims the winter prospects for jobs, paycheques and sales, it's obvious that **small, indeed, will be any boost from the U. S. where business has little zip.**

Trading Stamp Growth Plans Grind to Halt

(CONTINUED FROM P. 1)

stamps and generally gear up for a burst of business.

He rented a small tucked-away Yonge St. office in Toronto, changed the lock on the door, worked often at nights as president, secretary and messenger.

On weekends, he slipped quietly through a back door at Loblaw offices to confer with president G. C. Metcalf and vice-president G. E. Huffman.

"They told me that if the plan leaked out, only one person could be responsible—me," McFadden recalls.

"The pressure was fantastic and the problems were giant-size.

"I had to place a $300,000 printing order for 1.5 million catalogue copies, order over one million stamps and other visual advertising material—all without arousing suspicion.

"I strung a line to my wife, my employees and the printers I dealt with for months—pretending all the activity was on behalf of existing clients such as **Dominion Stores** in Quebec and others.

"Silk screen printers thought they were producing signs for Loblaw's anniversary — they weren't, they were making big letters which shortly would read 'Save Lucky Green Stamps'.

"It was great fun—but never again for me."

McFadden's Blue Chip stamp operation started to soar when the Loblaw program broke.

• **There** have been three moves this year to bigger warehouse space.

• **Warehouse** employee force grew from 10 to 116.

• **It handles** 5,000 to 6,000 merchandise orders a day, volume of business has jumped six times over the past year.

Blue Chip has around 200 trading stamp accounts but, in Ontario at least, Loblaw's accounts for 90% of the volume.

McFadden admits this is pretty heady growth—and it worries him a little.

"Stamps are under fire from pressure groups and we don't know what the eventual pattern will be."

In the trading stamp controversy, McFadden points to his "Buy Canadian" policy which boosts Canadian consumer goods manufacturing.

One appliance manufacturer backs him up: "Our work force has been knocked down 50% by imports. It would be even lower if it weren't for these premium and stamp plans. They use about 85% Canadian-made products in their catalogue offerings."

In small suppliers, the dependence is more obvious.

"We were surprised to find that these orders kept our plant going at a good clip into the usually slack summer months," a household goods maker says.

A home weighing scale manufacturer reports a 200% leap in business this year because of buying from premium companies.

McFadden moved into sales incentives during his 25 years with **Henry Birks & Sons,** jewelery merchants.

He left to head up **Sales Campaigns Ltd.,** a Canadian division of two U. S. incentive companies.

Three years ago, he branched out on his own—going into both prize incentives for business and stamps.

"We prosper in tough times," he says, recalling that from 1934 (when he started first with Birks plan) and 1938, the incentive business tripled.

"The industry is now entering what will be its greatest growth period. Incentives are just beginning to be recognized by modern management as a versatile and effective tool."

What does the prize incentive concept do for business clients?

"Out of an employee group of 100, perhaps 20 are top-notch in selling, public relations or whatever their job is.

"We use merchandise premiums to push up the 80," McFadden says.

▸ **The first Canadian bank to try such an incentive program is now looking over results.**

It used the program to increase current accounts, with prizes going to tellers who chalked up the best records.

"This is our first move into the banking field. Once you get in the door and show what can be done, then the rest of the industry will listen to you," McFadden says.

▸ **The cleanliness of a service station washroom** is usually the tip-off that an incentive program is under way among dealers.

Oil companies are among top users of the programs.

▸ **All-expense travel** is growing as a prize in contests.

A typical program is now under way at **Victor Adding Machine** where top producing salesmen and their wives will be flown to Hawaii this winter for a seven-day vacation.

Stock Market Confused

(CONTINUED FROM P. 1)

the face of the New York decline.

At mid-week, the Toronto board was generally heading lower, although there were signs of firmness in some sections.

The Dow-Jones average has dropped nearly 60 points from its most recent peak — 645 on Aug. 24. Monday's slump trimmed 15 points off the average.

In Toronto, the decline was less marked. The TSE industrials index gave up about eight points in the first two days this week.

At its present level, the index is some 14 points above the 1960 low.

This week's market drop in the U. S. and Canada had been preceded by a sharp break last week in West German markets, at record highs only three weeks ago. Prices were fractionally better at last report.

In the U. K., prices softened slightly at the opening this week, but soon took on a firmer tone.

Elsewhere in Europe — Amsterdam, Brussels, Paris — markets were reported fairly quiet with a slight mark-down in prices.

Cubans May Come Back To Our Paper

(CONTINUED FROM P. 1)

should be glad to see Canada take over the burden of supplying Cuba with newsprint.

Canadian visitors to Russia report that the Soviet mills cannot keep up with demands at home.

The recent Russian pulp and paper delegation to Canada admitted as much quite frankly.

Economies or not, the Russians appear determined to press on with their efforts to break into the world newsprint market.

The Newsprint Information Committee in New York reports so far this year below-market-price deals have been offered to Mexico, Brazil and Uruguay.

If a government as inclined toward Moscow as Cuba's finds the quality of Soviet newsprint unacceptable, paper men feel it will be a lesson that will not go unnoticed in other traditional Canadian markets.

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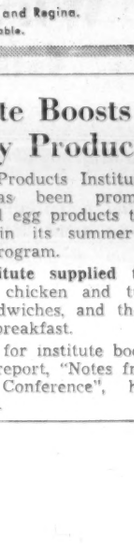

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Institute Boosts Poultry Products

Poultry Products Institute of Canada has been promoting poultry and egg products to the consumer in its summer and early fall program.

The institute supplied tested recipes of chicken and turkey salads, sandwiches, and the use of eggs at breakfast.

Requests for institute booklets and for a report, "Notes from a Nutrition Conference", have been heavy.

Plan Week's Study Of Canada-Europe

MONTREAL (Staff)—Plans to hold a Canadian-Europe Week in Paris in March or April are under way.

Objective:

To promote trade and to explore international trade problems relating to Europe's Inner Six and Outer Seven.

The Week is being sponsored by Cercle de l'Opinion, a Paris-based international organization devoted to political, economic and social studies.

Last year a Scandinavian Week was held and in 1957 the Cercle sponsored a France-Israel Week.

Subsidy for Railways Looks Like Sure Thing

(CONTINUED FROM P. 1)

of business. The rates are already as high as competition with other forms of transport will allow.

Can Ottawa simply order the railways to pay what would amount to an extra $50 million or so annually?

It can do as it likes with **Canadian National Railways,** of course. But talk in rail circles is that CNR is going to have an all-time record deficit this year.

Even without paying any more in wages, CNR stands to be over $75 million in the red by Dec. 31.

For a government troubled by too much federal spending, the prospect of adding to CNR's many woes doesn't have much appeal.

Canadian Pacific Railway is another matter. It has responsibility to its shareholders. It happens that the proposed annual pay increase would almost exactly match the total profit CPR hopes to earn in 1960.

It seems unlikely that Ottawa would impose that sort of situation on a public company which, by legislation, is not free to increase its charges to compensate for the increased operating costs.

The answer, it seems almost certain, will be some form of direct subsidy to cover the increased wage bill over the next two years.

Nobody even pretends this comes close to a solution. The railways don't want it, and any subsidy is bad news for Ottawa.

Only the unions stand to be satisfied. It is no concern of theirs where the money comes from, and they have said as much publicly.

By far the majority of senior rail officers queried by **FP** in recent months admit privately they wouldn't be sorry to see the situation develop into a full-fledged crisis.

Almost to a man they are frustrated and disheartened by the apparently unending series of stop-gap measures that prevent a really serious study of the many ills now afflicting the lines.

In the meantime the problem rests with the cabinet.

One way or another, the bulk, if not all, of the increased pay the railwaymen will get over the next two years seems destined to come straight from the pockets of Canada's taxpayers.

'Buy Canadian' In the Arctic

The federal government is reported to be considering a proposal that would contribute to increased markets for Western Canada oil. (See p. 25.)

Under the scheme, officials say, the government (biggest single purchaser of petroleum products in Canada) would ask for tenders on the basis FOB Port of Churchill, Man., instead of FOB Montreal or other eastern ports for its needs in the west and the north.

They say it would be cheaper for suppliers to buy Alberta oil to fill these contracts than to ship petroleum products made from Venezuelan crude to Churchill.

Like to Have Your Very Own Private Canal?

(CONTINUED FROM P. 1)

land from about 20 ft. to 75 ft. wide on the north side of the canal, which could be used to widen a road running along that side of the old waterway.

Probably the most attractive commercial prospect for would-be buyers in what would remain of the Soulanges property is a 100-ft.-wide strip of land on the south side, extending the entire length of the canal.

The canal connects with Lake St. Francis, a widening of the St. Lawrence, and any land developer with an ounce of imagination need hardly close his eyes to envisage a row of waterfront cottages extending the entire length of the canal.

Other property:

• **An island** of about 10 acres at the Lake St. Francis end.

• **About five acres** near a bridge to the island.

• **An old power plant,** no longer in use but possibly convertible into a motel.

• **Buildings** used in operation of the canal at Dorion, Que., plus about 10 acres.

Main DOT intention is to get rid of the entire canal property.

In piece-by-piece deals, it has found that all the commercially attractive properties are picked up quickly, while questionable assets, such as dikes or fences, were left on DOT's hands.

If someone buys the Soulanges, he'll likely have to take all available assets — good and the bad.

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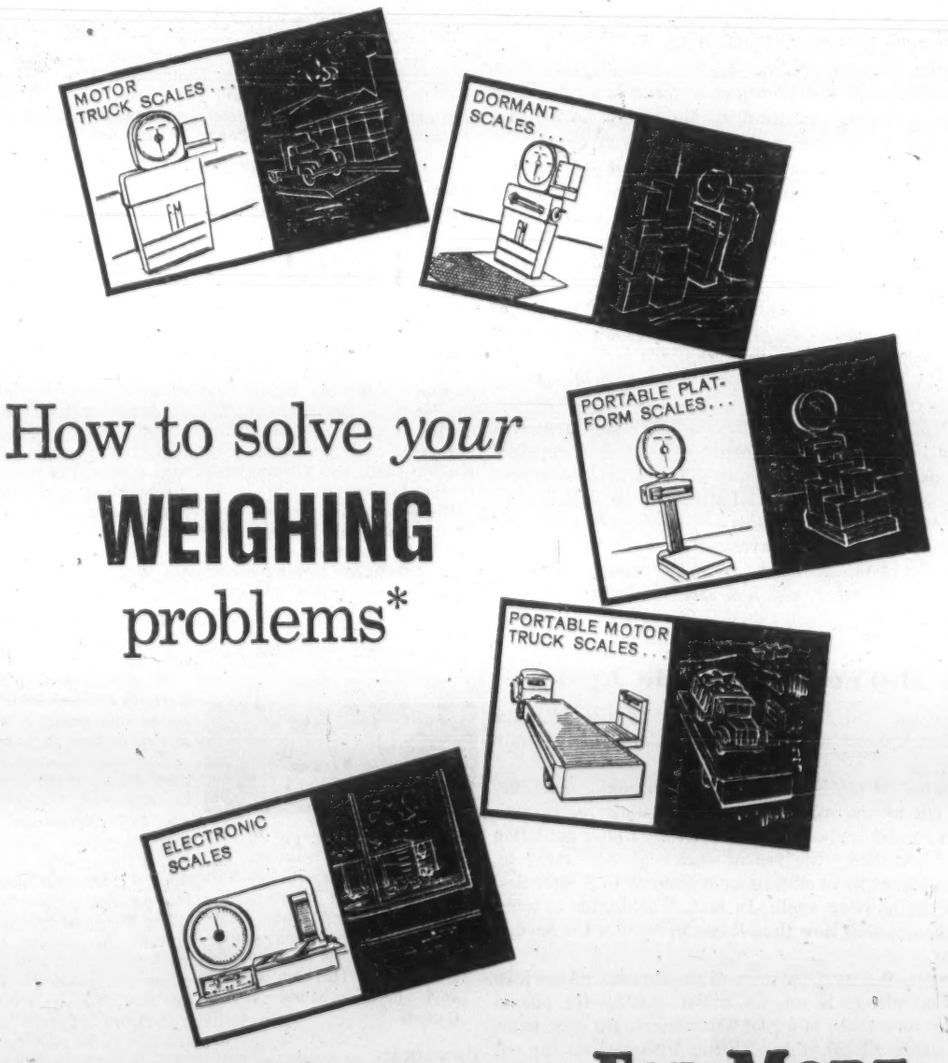

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Could You Use Help With Export Credits?

Exporters are using only half of the service available to them through the crown-owned Export Credits Insurance Corp.

Its present business could be doubled with scarcely any increase in staff.

The corporation will insure deals involving anything from a bottle of whisky to a string of locomotives.

By DON PEACOCK

OTTAWA (Staff)—Canada's **Export Credits Insurance Corp.** has been providing for 15 years now a service introduced by the U. S. Export-Import Bank only some months ago.

There seem to be no plans to change its operations.

Hugh T. Aitken, energetic president and general-manager of the crown-owned agency, says:

- **Only about half** the corporation's existing potential service to Canadian exporters is being used at present.
- **Present business** could be doubled with scarcely any increase in current staff of 30.
- **Premium rates** (averaging 1%) would thus be lowered through more efficient use of corporation facilities.
- **Contrary to the apparent impression** of some Canadian businessmen, anything from a bottle of whisky or a pair of nylons to a string of locomotives or an entire cement plant can be credit-insured by the corporation.

In an interview with **FP**, Aitken stressed that the corporation is as eager to sell its policies to the small exporter as to the large.

More than 80% of the transactions covered by its policies are in consumer goods, he said.

Transactions covered have been worth as little as $10 and have included credit sales of: whisky, pickles, sacked oats, codfish, nylons, an entire cement plant, locomotives, rags, tallow.

One transaction insured in July was for $380 worth of aluminum cookware to Trinidad, in June for $130 worth of flavoring extract to Bermuda.

For consumer goods and general commodities policies are issued to cover an exporter's entire foreign sales over a year.

During 1959, one such exporter was covered for a total of $174 worth of business. In 1949, an exporter insured credit worth $73, last year had increased it to cover $934.

Since it began operation in 1945 (it was legislated into being in 1944), the corporation up to last June 30 had:

- **Insured credit** worth a total of $535 million.
- **Paid out $10 million** in claims (2% of total insured).
- **Recovered $7.2 million,** with hopes of recovering another $2.5 million eventually.
- **Written off $320,000.**
- **Shown a profit of $1 million** (less than 0.10%) — as Parliament intended, so that the corporation would become neither a profit-making agency nor an indirect means of subsidizing our exports.

Export Credits policies are available to all residents or corporations carrying on business in Canada. They insure the exporter against 85% of loss from any failure by a foreign buyer to pay up on:

- **Consumer goods** and miscellaneous general commodities sold on short-term credit or credit terms usual for the particular trade — normally extends from documentary sight draft to about six months.
- **For similar goods** shipped on consignment or for exhibition purposes.
- **Capital goods** sold on medium credit terms, ranging over a number of years — usually three — up to a maximum of five.
- **Engineering,** construction, technical and similar services.
- **Special deals** the corporation would not insure normally but which cabinet approves as being in the national interest.

Under these special deals — always providing Cabinet approves — the corporation may give direct guarantees to banks and other lenders; purchase a guaranteed credit instrument; lend to the holder of a guaranteed instrument; sell a guaranteed instrument to any person.

But this is available only on contracts involving export of capital goods or services for amounts of not less than $250,000 and involving payment of at least two years.

For any such cabinet-approved exception the corporation's normal operations, the federal treasury is liable for any losses.

The five-year limit on normal corporation policies is imposed in conformity with views of the Berne Union — an organization of export credit insurers representing most major exporting countries. (Aitken was voted president last year.)

For longer-term credit, Union members encourage use of World Bank facilities — which were created for such purposes.

Aitken pointed out that, although Export Credits cannot otherwise make direct guarantee to the lender, any corporation policy can be assigned to the lender — a feature intended to help exporters obtain credit from normal private channels.

He said 90% of the corporation's losses arise from political reasons: cancellation of an import licence or imposition of import restrictions after sales are made; war or revolution; blockage of funds or transfer difficulties.

The remaining 10% are credit losses — due to insolvency of the foreign buyer or some similar reason.

Since the start of this year the corporation has sold:

- **Three policies** for $25,000 or less.
- **Thirteen** for between $25,000 and $100,000.
- **Eight** for between $250,000 and $1 million.
- **Five** for over $1 million.

Total value of the 239 policies outstanding at June 30 was $114 million — up about $9 million since Jan. 1.

Of these, 48 were in the $25,000 and under category, 104 in the between $25,000 and $100,000 category — the category in which policies are most numerous.

Aitken said he believes lack of knowledge on the part of exporters about corporation facilities available is the main reason greater use of them is not made.

He said the chartered banks are well aware of corporation facilities.

It has branches in Montreal and Toronto and is represented in Vancouver by Ken F. Noble, representative there of the federal Trade Department.

Policyholders at June 30 by provinces: New Brunswick 1; Quebec 100; Ontario 131; Manitoba 2; Saskatchewan 1; British Columbia 4 — Total 239.

Here's What ECIC Does, How to Apply

Facts you can use about the crown-owned **Export Credits Insurance Corp.:**

Types of policies:

- **Consumer goods and general commodities** policies are issued to cover an exporter's entire export sales for one year.
- **Capital goods and services contracts** are covered by an individual policy for each specific contract or sale — up to five years.

Policies insure against nonpayment by foreign buyers but not against loss or damage of goods or deterioration of perishable goods.

To cover goods sold on short credit terms two types of policy are available:

- **Contracts Policy** — protects an exporter from the time he receives the order until he is paid.
- **Shipment's policy** — protects from date of shipment only.

Contracts policies are designed for the exporter manufacturing goods to particular specifications, or goods so marked or stamped that they are of value only to the original buyer.

Unusual policies may be obtained, if the corporation refuses to grant one because the transaction doesn't look commercially sound, by application for cabinet approval.

HOW TO GET INSURANCE:

Fill out application form setting forth export sales hoped for during next 12-month period, in total and by country, and sales made during previous years, if any.

Corporation then quotes premiums for each country (confidential for diplomatic reasons).

If exporter accepts this letter of quotation, he must pay a deposit of about 10% of the estimated premium for the year.

The average premium rate has been under 1% — and premiums are deductible from taxable income.

Each policy sets a maximum amount of credit insurable for each buyer in any country covered. The exporter may extend credit up to that amount without further reference to the corporation — over that amount requires corporation approval.

PREMIUM PAYMENT:

Before the 10th of each month, the exporter makes a declaration of contracts and shipments made during the previous month and reports them, in total only, by country.

He then calculates the premium and sends in his payment with his declaration.

His original deposit is refunded when the policy expires or carried forward if he renews it.

LOSS PAYMENTS:

- **Insolvency** — immediately.
- **Default** — 12 months after due date if debtor's insolvency has not by then been established.
- **Foreign exchange transfer** difficulties — six months after due date.
- **All other risks** — six months after occurrence of loss cause.

SPEAK OF RISK:

As a rule, an exporter must insure his exports to all countries to obtain insurance coverage.

The corporation argues that by thus spreading the risk, it can quote moderate rates.

Its literature says on this point:

"Our experience has proven that there is a real risk of loss on shipments to any country in the world."

(The corporation doesn't insure credit sales to U. S. customers, incidentally, since insurance for these can be obtained from private companies.)

CREDIT SAFEGUARDS:

Policy applicants must either have had previous favorable credit experience with the buyer, or have obtained two up-to-date credit reports from independent reliable sources justifying their extending credit.

The corporation has credit information on thousands of buyers in foreign countries. This is up-dated from a different source every six months.

If information received on a particular buyer is detrimental, then all policyholders shipping to him are immediately informed.

The corporation insures only 85% of losses to encourage policyholders not to get careless with their credit.

Any recoveries made after payment of a loss is split 85% to the corporation, 15% to the policyholder.

Reliable in First With its Hugabug

A Toronto toy manufacturer has turned the tables on the Japanese.

Reliable Toy Co. has leapt into the Canadian market with its version of the Hugabug — an inflated vinyl doll that has swept Japan.

It is the greatest craze since the hula hoop, the firm says. In Japan, customers have lined up all night outside department stores to buy the toy. Because of the short supply, stores have been forced to restrict selling periods to one hour, once a week.

In Toronto, department stores sold out their supply of the toy six hours after they first went on sale.

Reliable was the first in the North American market with the toy, beating out other toy firms and Japanese imports.

It is a cuddly little 12 in. character with inward turning arms which clasp and cling to almost any object — arms, legs, chairs, bicycles, brooms and so on. Its special plastic eyes wink and blink as it is moved.

Other firms are tooling up to produce the toy as fast as possible to capitalize on the craze before it fades.

Employees of Reliable read about the fad in newspaper clips from the U. S. Working night and day over the Labor Day weekend, they tooled up for production.

"Fortunately we have one of the best equipped tool rooms in the country," said Ted Kemp of the toy firm.

Also Reliable was fortunate that regular sales of inflatable pools and water wings were dropping off with the close of summer and machines could be easily switched to producing the toy.

Having had considerable publicity in widely circulated U. S. magazines, the toy appears to be catching on here.

"We can't keep up with our orders right now," said Kemp.

The firm has three shifts working its equipment, just to keep up with Toronto demand. Orders have been received from across Canada and the U. S.

The Japanese, originators of the toy, aren't expected to have any toys for export before November.

Manitoba Blocks U.S. Billboards

From Our Own Correspondent

WINNIPEG—A Green Curtain is being slowly drawn against some U. S. advertisers who are aiming their messages across the Canada-U. S. border.

Manitoba's Highway 75 follows the U. S. border for about 400 yd. and on the U. S. side, about 50 ft. from the highway's centre line, there are about a dozen billboards, mostly advertising U. S. products.

Manitoba regulations say billboards must be at least 250 ft. from the centre of the highway, but, since these signs are in U. S. territory, they are beyond the reach of the Manitoba government.

The impunity of the offending advertisers, however, will be short-lived.

The province has landscaped the Manitoba edge of the right of way with tall, fast-growing trees and shrubs which, within about five years, will effectively screen the signs.

The Manitoba government denies the move is retaliatory and insists the landscaping was planned before the boards were erected.

Unlimited Credit Possible Under Present Legislation

OTTAWA (Staff) — Is the government planning to provide new credit facilities for Canadian exporters?

Trade Minister Churchill says he has given consideration to establishing an Export Credit Bank. But he made clear this has not gone past the considering stage.

There are few indications that the government is convinced such a new — and initially costly — agency would serve any useful purpose.

One reason:

Under a special provision in legislation governing the crown-owned **Export Credits Insurance Corp.,** the government already can, in effect, provide unlimited export credit for an unlimited time — if it wants to.

So far it doesn't want to.

As an administrative rule, cabinet will only consider direct credit guarantees on capital goods or services worth more than $250,000 and for a term of at least two years.

There is nothing in the legislation, however, to prevent the cabinet from agreeing to give direct guarantees for credit on amounts smaller than $280,000.

Or for larger amounts over long terms, say 10, 15 or even 20 years.

A big question it would have to consider before embarking on any such project, though, is what effect it might have on credit policies of other countries.

Would this provoke a sort of international credit war, with eventual consequences far more disastrous than any initial benefits?

The main raison d'être of the Berne Union, 18-nation body governing (by gentlemen's agreement) all leading Western export credits organizations, is to avoid just such a competitive rat race in the export credits insurance field.

Berne Union membership comprises:

Canada, Norway, Sweden, Denmark, Germany, Holland, Belgium, France, Austria, Switzerland, Spain, Italy, the U. K., U. S., Israel, India, South Africa and Australia.

Though there are occasional attempts to slide around the gentlemen's agreement on terms, it is estimated authoritatively that not more than a dozen cases have occurred in the tens of thousands of transactions insured by Berne Union members over the last five years.

In the eyes of some members, Canada has been among the offenders.

By amending Export Credits Insurance Corp. legislation last year, Parliament empowered cabinet to approve direct credit guarantees on transactions the corporation would not consider commercially feasible according to Berne Union standards.

These have included sales of wheat to a number of countries, including Poland, for terms of up to three years.

By Berne Union agreement, wheat is normally sold for cash. And when Canada raises a complaint about action by some other member at Union meetings now, its delegate is usually reminded of these wheat deals.

Incidentally, the 1959 amendment to Export Credits legislation empowered the corporation to buy insured credit paper.

That means, in effect, that if cabinet decided it would be in the national interest, any private lender could work out any credit deal any foreign customer wanted and then collect in full immediately by selling the agreement to Export Credits Corp.

The question is:

Would other big trading nations be fooled?

The answer probably lies in a statement by corporation president Hugh T. Aitken, who has also been president of the Berne Union:

"No one wants to start a credit rat race."

Those who argue that existing credit facilities are adequate like to refer to a project that was nearly pulled off about five years ago — renovation of a railway in a Latin-American country.

It might have run to $80 million. Credit terms were to extend over 10 years, shipments of all the various equipment involved over five years.

The group of suppliers involved approached Export Credits for insurance.

Payment was to be twice yearly, with half the cost paid off by the time the final shipment was made.

Export Credits said this would require cabinet approval. It got cabinet approval. And with this approval, a Canadian chartered bank agreed to put up the entire $80 million.

The deal has not been closed because of factors other than credit arrangements.

After examining policies and operations of Export Credits last session, with criticisms of such organizations as the Canadian Chamber of Commerce and the Canadian Exporters Association before it and much in mind, the Commons Public Accounts Committee offered no suggestions for changes or any criticisms.

Business Outlook Forum Subject

MONTREAL (Staff) — A stock market forum — discussing outlook for the nation's business in the months ahead — will be held in Montreal's Queen Elizabeth Hotel Sept. 28, under sponsorship of **Merrill Lynch, Pierce, Fenner & Smith Inc.**

The forum, conducted by company personnel, will be divided into three parts:

—Review of the present economy and projection of the business outlook for the next few months.

—Analysis of individual industries and their relative prospects for market performance.

—Discussion of specific investment objectives and recommendations to investors.

There will be a question and answer period.

While admission to the forum is free, tickets must be obtained from Merrill Lynch's Montreal office because of limited seating accommodation. A similar French language forum is planned in November.

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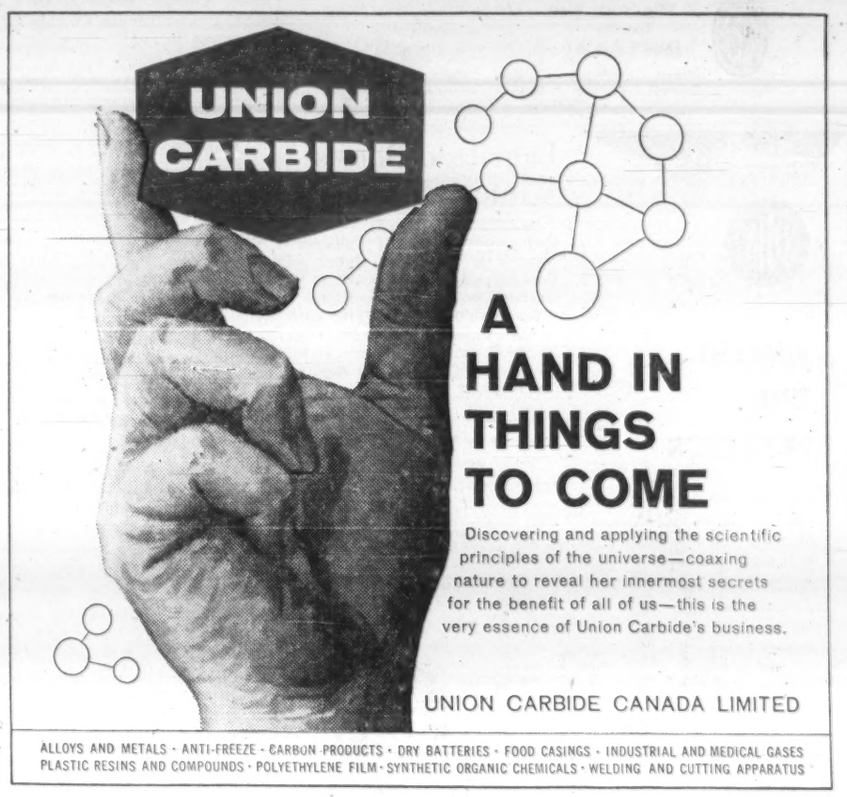

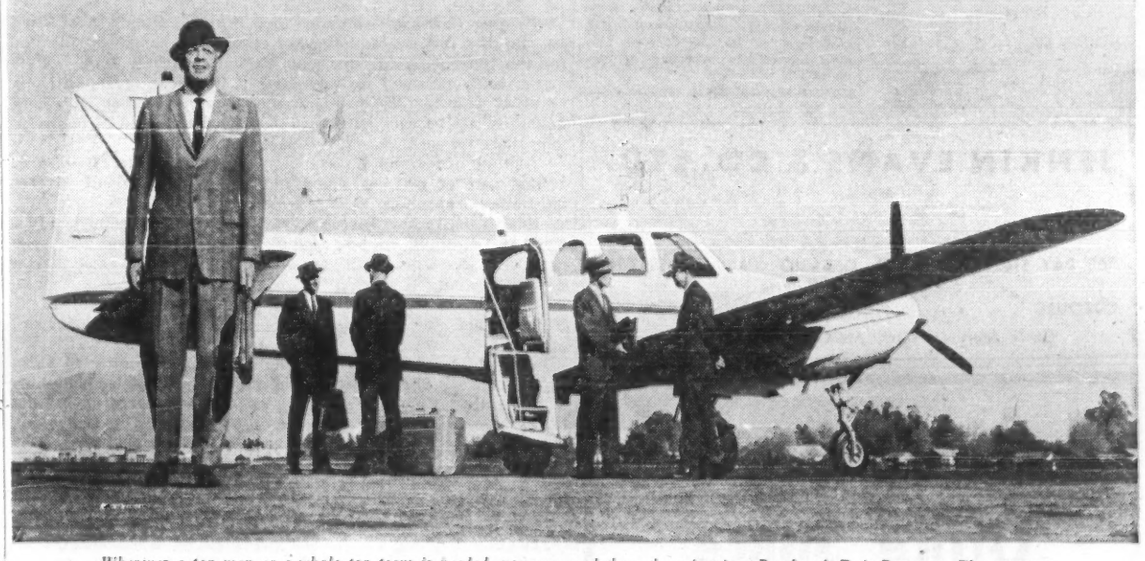

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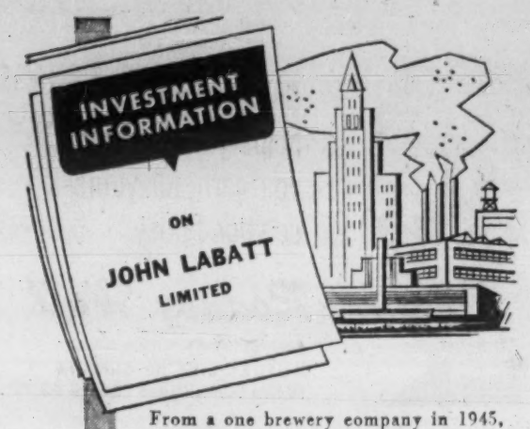

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Why They're Moving

Facts and comment on what's going on in the market and rumors behind some of the moves.

By P. T. DURRANT

CANADIAN INDUSTRIAL STOCKS headed down early this week in sympathy with the New York market, which suffered its sharpest drop in five year. At mid-week, however, there were signs of a firming up in New York although local trading was still generally on the downside.

The Toronto Stock Exchange industrials index is now about 14 points above its 1960 low (high for the year: 533.85), while it is some 10 points lower than at this time last year.

This week's decline follows a spell of indecisive trading after the healthy gains in August.

Measured by the Dominion Bureau of Statistics' index of 93 stock prices, integrated oils, machinery and equipment, bank and milling stocks made the best showing in August's market advance. Rising prices during the month lifted the 93-stock index 7.5% to 257.8 (1935-39=100). Fall-off in prices in September trimmed seven points off the index by mid-month; this week's slide in stock levels will cut deeper into August's gains.

In August, the DBS oil group jumped 15.5% on the index. This reflected **British American Oil's** $6 climb to $31⅝ (mid-week price: $27⅜); **Imperial Oil's** gain of $4 to $35⅜ (mid-week: $32¼); and **Texaco Canada's** $6 rise to $53 (mid-week: $50).

Machinery and equipment and bank stocks both improved their index levels by 9.6% during August. Contributing to the first group's advance were **Page-Hersey Tubes**, stepping up from $20¾ to $24½ (mid-week $23¾) and **Aluminium Ltd.**—$28⅜ to $31 (mid-week: $29).

Among the banks, good gains were posted by **Commerce**, $7½ to $58 (mid-week: $55); **Montreal**, $6½ to $57¾ (mid-week: $55⅛); and **Royal** $5½ to $71 (mid-week: $67¾).

Ogilvie Flour's $3 rise to $44 helped the milling group index up 8.6%.

Over the past year, losses and gains among the 10 groups in the DBS index left the total index down only 1.8% as at mid-September. Only the pulp and paper and utility groups managed to improve their index levels during the year. All the others were down with biggest drops going to building materials (17.2%), machinery and equipment (12.1%), textiles (10.3%) and banks (8.8%).

These were some of the bigger losers in the building material group: **Steel Co. of Canada**, $9 to $65¾ (mid-week: $65⅜); **Dominion Bridge**, $4 to $16¼ (mid-week: $16); and **Canada Cement** $2¼ to $25¾ (mid-week: $25).

In the machinery and equipment category, **Page-Hersey** had lost $3 (to $20) before its recent swing up to $23¾.

Pushing the textile category down were **Harding Carpets'** $3¼ drop to $10¾ (unchanged at mid-week); and **Bruck Mills A** $2¼ loss at $8 (mid-week: $8⅛).

Paper stocks in the DBS index advanced 5.2% to mid-September from a year earlier. Here, gains by **Abitibi Power & Paper**, $5 to $39½ (mid-week: $38); **Great Lakes Paper**, $4 to $40 (mid-week: $39); and **Moore Corp.**, included by DBS in the paper group, $8 to $46⅞ (mid-week: $45¼), contributed to the rise.

Strong utility stocks were **Bell Telephone** and **British Columbia Telephone**, each up $6 to $46½ and $46 respectively, and **Consumers' Gas**, up from $12.79 (adjusted for split) to $14¼.

This is how the DBS stock price indexes have moved in the past year:

	Sept. 15/60	Sept. 1/60	Aug. 4/60	Sept. 24/59	% Change Aug. 4 to Sept. 1	% Change Sept. 24/59 to Sept. 15/60
Machinery & equipt.	654.9	673.2	614.3	744.7	+6.6	—12.1
Pulp & paper	1138.3	1152.2	1093.0	1082.4	+5.4	+5.2
Milling	202.5	198.8	183.0	216.8	+8.6	—6.6
Oils	174.7	183.6	159.0	175.1	+15.5	—0.2
Textiles	184.7	179.1	179.8	205.8	—0.4	—10.3
Food & allied	247.8	247.6	233.8	252.8	+5.9	—2.0
Beverages	649.2	659.0	623.6	651.2	+5.7	—0.3
Bldg. materials	428.0	434.7	410.4	516.9	+5.9	—17.2
Banks	328.8	342.0	311.9	360.4	+9.6	—8.8
Utilities	191.3	195.2	187.2	187.4	+4.3	+2.1
Total 93 Cos.	250.3	257.8	239.9	254.9	+7.5	—1.8

* * *

Belding Corticelli common stock dropped from $12 to $10½ on sale of a few shares following report that company will omit for the time being the dividend normally payable Nov. 1. Payments were resumed in May after a two-year lapse, with 40c for 1959 and 15c for quarter ended March 31, 1960. A second quarterly of 15c was paid Aug. 1. A stock dividend of one common share for each 10 held was paid in June, 1959.

At time of resumption, company said it hoped to establish an annual rate of 60c per share, but this would depend on cash position and earnings.

Shares of **Agnew Surpass Shoe Stores** have slipped to $19⅜ from $21 in small volume. Annual meeting was told that sales have increased since fiscal year ended May 31, 1960. First quarter income was not disclosed.

Capital spending will be high this year, president K. R. Gillelan said, due to planned opening of 20 new stores (12 last year).

Stock of **Hardee Farms International** eased slightly to $10¼ early this week after trading in the $10-$11 range since beginning of September. Company's Florida operation came through Hurricane Donna with only minor damage (estimated at $5,000 and all covered by insurance), President A. Dees says.

General Development Corp. (recent price: $13½, off from recent $15⅜), Florida real estate developer, also reports only minor damages to its communities.

Canadian Pacific Railway was slightly firmer at mid-week ($22) after touching a new 1960 low of $21½. The shares moved up above $24 in August before the recent softness. Company is faced with a substantial increase in wage rates if federal conciliation board recommendations are acted upon by the government (FP, Sept. 3).

Canada Bread Co. common shares slumped to $3.40 early this week (stock was selling at 1960 high of $4.15 late in August), following report of sharply lower earnings in fiscal year ended June 25.

Decline in net (16c per common share vs. 97c year before) was attributed to higher labor and material costs without compensating price increases.

Anglo-Canadian Pulp & Paper shares settle back to $43¼ at mid-week after their spurt from $39½ to $47½ in the wake of expected offer of exchange for shares of U. K.'s **Albert E. Reed & Co.** (FP, Sept. 17). About 8,000 shares have changed hands since the announcement. One reason for the drop: a drop in Reed shares to equivalent of about $45 per Anglo share if exchange goes through.

Mystery surrounding **National Hosiery Mills** stock action was cleared with news that an unidentified group, said to be French, has acquired control of the company. Michael Jay of Toronto has been elected president of National Hosiery.

The class B shares sold as high as $5⅞ before retreating to $4.30 at mid-week. Over 87,000 class B shares have been traded since late August (there are 355,437 outstanding).

It is believed that Canadians will shortly be offered shares in an overseas mutual fund, **R. A. Daly & Co.**, Toronto investment firm says. The fund will embody most of the high grade stocks traded in London, it hears. No further details are known.

National Hosiery Control Moves to 'French Group'

Control of **National Hosiery Mills Ltd.** changed hands this week, and company acquired a new president.

Michael Jay, 45, who succeeds E. B. Eastburn in the top job, says he received several congratulatory messages Tuesday.

"I've just had a cable from the Shah of Iran, a personal cable from Nasser, and another from De Gaulle."

He says he has acquired control on behalf of a French group, but refused to identify the group.

A public relations man, in releasing news of the deal, told **FP** Jay's background includes wartime service in the Free French Navy and several years' association with a bank in Cairo, before he came to Canada in 1956. He has been living in Toronto.

The three weeks preceding the announcement were marked by furious trading in the class B shares of National Hosiery (**FP**, Sept. 10).

Jay told **FP** he had been acquiring stock for three weeks on the open market, on behalf of the French group, at prices of from $1½ to $5⅞ per share.

Investors showed some hesitancy after the announcement. Stock was trading at midweek at $4.30 Sept. 20, a drop of 70c on the day and $1.57 below its high for the year, reached the day before.

In the 15 trading sessions preceding this week's announcement of change of control, 83,886 Class B shares changed hands in this price range on the Toronto Stock Exchange.

In addition, Jay told **FP**, his representatives were visiting individual shareholders in the U. S. during the same period to buy their stock or solicit their proxies.

He declined to reveal what proportion of the 355,437 outstanding shares had been acquired on behalf of the French group, describing it only as "very, very substantial". This might account for the sharp swings in the stock.

Jay said that the French buyers had made $2.5 million available, but that considerably less than that had been spent to gain control of National Hosiery.

The capital for investment in National Hosiery, Jay said, is part of a large amount of French capital withdrawn from African trouble-spots.

The same group of French investors now has interests in 32 countries, he added.

He said French technicians were due to begin arriving at National's Hamilton plant this week to survey National Hosiery's existing facilities.

The new owners plan to introduce a number of lines of high quality French foundation garments and hosiery, E. B. Eastburn, now chairman, said in a letter to shareholders.

Jay added that the new lines would be marketed in specialty shops across Canada, and in the export market. A new factory or factories, in the eastern part of Metropolitan Toronto, would probably be built to produce the new lines, he said.

Introduction of the new machinery, and construction of new plant, Jay predicted, would lead to a sharp increase in the number of workers employed by National Hosiery—currently 800, including 200 in Hamilton and 600 at its Quebec plants.

Jay is listed as president of **Lawton Properties Corp., Regent Films**, and a newly formed Ontario firm, **Northern Properties Corp.**

Northern Properties, he said, plans to invest $100 million in Canada, the U. S. and other countries, on behalf of overseas interests.

Jay says that he is signing officer in Canada for nine overseas banks.

Note

By VINCENT EGAN

TERMS OF the new Canada Savings Bond issue are tailored to attract both the sophisticated bond buyer and the less experienced.

The 4% coupon for the first year is in keeping with current short-term rates. While the yield to maturity is 4.71%, the 5% coupon for the final six years (of the 10-year term) should appeal to the smaller investor, who is still "5% minded" despite recent months' decline in interest levels.

Other coupons are 4¼% for the second year, 4½% for the third, and 4¾% for the fourth.

The 1960 Savings Bond, unlike the 1959, will pay no premium upon redemption at maturity.

* * *

Prices of last week's $250-million **Canadian National Railways** bond issues have held above issue price. Liquidation by "riders" has been relatively light and orderly, and has been offset by the recent strengthening in the U. S. government bond market.

* * *

Under discussion is a possible $5-million **Quebec-Telephone** 5½% 22-year bond issue, with an 11-year noncall feature, priced at a discount. Offering would be made by **Greenshields & Co.**

* * *

Bell, Gouinlock & Co. is placing privately $3.5 million 6½% 25-year serial debentures of Grand Falls (Nfld.) Hospital, priced to yield 6.70%.

* * *

Private placement of a $2.5-million 22½-year debt issue of **Northview Shopping Centre**, Montreal, is being arranged by **Mills, Spence & Co.**

* * *

An offering of $1,447,400 Orillia (Ont.) one-to-20-year serials is being made by a syndicate headed by **J. L. Graham & Co.** Interest rate is 5¾% on nearly all of the issue; the 11-to-20-year maturities are offered on a 5.65% yield basis.

* * *

A new issue of $10.5 million 5⅝% 20-year secured notes of a Montreal shipping firm, **Papachristidis Tankers Ltd.**, has been placed privately by **McLeod, Young, Weir & Co.** . . . Another private issue was $825,000 **Acklands Ltd.** 7% 15-year debentures, placed by **Fry & Co.**

Union Gas Offer Ends Sept. 30

Holders of class B shares of **United Fuel Investments Ltd.** must make up their minds between now and Sept. 30 whether to accept the offer of **Union Gas Co. of Canada** for their shares.

They have been urged by a shareholders' protective committee to disregard the Union Gas offer (FP, Aug. 6, Sept. 3).

In a letter to class B shareholders, Union Gas President David P. Rogers says that United Fuel directors will proceed with dissolution of the company on expiration of the offer (Sept. 30).

Upon such dissolution, United Fuel class B shareholders will be entitled to $30 for each share held.

Under the Union Gas offer, each class B share will be acquired for 2½ common shares of Union Gas, plus $2.50 cash.

Based on mid-week market price of Union Gas common, the offer is equivalent to $40.31 per class B share.

Union Gas common issued under the offer will qualify for the quarterly dividend payable Nov. 1 at the new rate of 12½c per share (previous rate was 10c quarterly).

In an earlier letter to class B shareholders, the protective committee said: "This (Union Gas) offer is considered by a large group of class B shareholders to be grossly inadequate in relation to book value of the class B and its right to participate fully with the common in any distribution of earnings."

Recent market price of United Fuel Class B: $39.

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Our facilities at all offices are available to provide additional information.

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Our regular Thursday review of money market conditions is available on request

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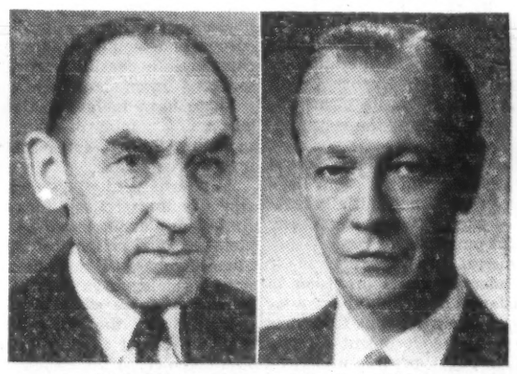
ANNOUNCEMENT

CANADAIR EXECUTIVE APPOINTMENTS



W. K. EBEL — E. H. HIGGINS

William Kenneth Ebel, who for the past 11 years has been at Canadair Limited, Montreal, as vice-president in charge of engineering, has been transferred to the Washington office of the parent General Dynamics Corporation, and is succeeded at Canadair by Edward H. Higgins, formerly chief engineer—aircraft, who is now appointed vice-president—engineering. Mr. Ebel has been appointed staff executive to assist the Corporation's senior vice-president for engineering in the co-ordination of engineering activities among all of General Dynamics' divisions including Convair, Electric Boat, General Atomic, Stromberg-Carlson, Material Service and Liquid Carbonic. He entered aviation 37 years ago as a flight cadet in the United States Army Air Force and in 1924 joined the Glenn L. Martin Company as an engineer and test pilot, subsequently becoming Martin's vice-president in charge of engineering, and a director. He has flown more than 50 different types of airplanes, ranging from the Curtiss "Jenny" to the Martin "China Clipper" and, during the past year, the new Canadair Forty Four. He was with Douglas Aircraft and Curtiss-Wright briefly, and joined Canadair in 1949. Mr. Higgins, born in London, Ont., was educated at the University of Western Ontario and at the University of Michigan, where he received his degree in aeronautical engineering. He began his aviation career with de Havilland in England in 1937, moved a year later to the Canadian Car and Foundry Company at Fort William, Ont., and with the outbreak of war entered the RCAF as an engineering officer, rising to the rank of wing commander. After the war he was with Fairchild Aircraft of Canada in Montreal until 1947, when he moved to Canadair.

Lauritzen Boosts Winter Shipping

MONTREAL (Staff) — After last year's successful "pioneer" season, **J. Lauritzen Lines** of Copenhagen plans to continue its Quebec-Europe winter service.

Three ships of 5,000 tons each are scheduled to make six trips. This will mean that one vessel will dock every 18 days starting in January.

Last year, the Danish line operated four ships, two of 3,000 tons and two of 5,000 tons.

ANNOUNCEMENT

RALPH W. COOPER

The Canadian Bank of Commerce announces the election of Ralph W. Cooper as a director of the bank. Mr. Cooper is President of W. H. Cooper Construction Company Limited; Vice-President of N. Slater Company Limited; a director of The Mutual Life Assurance Company of Canada, Dominion Tar and Chemical Company Limited and a number of other companies.

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Hi-Ho Preferred Dividend Raised

Dividend rate on the $10 par preferred shares of **Hi-Ho Curb Serv-Us Ltd.** has been raised to 80c annually, from 50c.

Supplementary letters patent have been issued to the Windsor, Ont., restaurant chain authorizing an increase in the designated cumulative dividend rate from 5% to 7%. A 10c non-cumulative dividend has been added, to bring annual rate to 80c.

At last report, 3,405 preferred shares were outstanding, of an authorized 50,000.

Direct offering by the company of the remaining unissued shares is continuing; price is $10.50 per unit of one preferred and one npv common share.

RSC

Investment Suggestions

The attractive yields obtainable from investment in fixed-interest securities are illustrated by the following selections from our current list:

	Rate %	Maturity	Price*	Yield %
Canadian National Railway†	4½	April 1, 1967	99.12	4.67
Canadian National Railway†	5	October 1, 1987	97.50	5.17
British Columbia Electric	5¾	April 1, 1977	102.00	5.55
British Columbia Telephone	5¾	August 2, 1985	104.25	5.43
Dominion Tar & Chemical	5¼	June 1, 1978	97.00	5.51
General Motors Acceptance	4	June 1, 1964	97.00	4.90
Handy Andy (ex Warrants)	6¾	March 1, 1975	102.50	6.48

*Plus accrued interest. †Delivery flat October 3, 1960.

We offer these securities as principals, subject to prior sale and change in price. Information furnished promptly on request.

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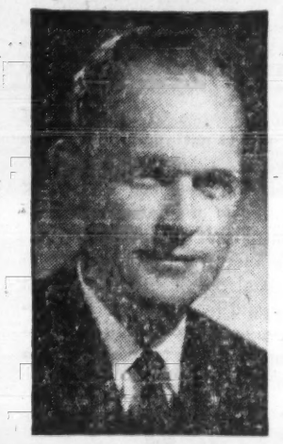

RUSSELL J. PEDERSON

Robert H. Morse, III, President, The Canadian Fairbanks-Morse Company Limited, announces the appointment of Russell J. Pederson as Comptroller of the Company, effective August 15.

Mr. Pederson is a graduate of Iowa State University with a B.S. degree in Industrial Engineering and has completed his accounting training in post-graduate work. During the past ten years he was employed by U.S. Fairbanks, Morse in various accounting positions, the most recent of which was Director of Budgets and Profit Planning. Mr. Pederson will be responsible for all accounting functions of the company and its subsidiaries, the preparation of budgets and profit planning. He will report directly to the President.

Sobeys Sales, Profits Higher

Sales and profits of **Sobeys Stores Ltd.**, Stellarton, N.S., were substantially higher in first quarter of current fiscal year than in corresponding 1959 period, President Frank H. Sobey told the annual meeting.

No figures were reported for the latest period. In fiscal year ended May 2, 1960, net profit was $292,797 (86c per class A and B share).

Recent price of class A stock: $12. The shares have traded between a high of $13, a low of $9¾ this year.

Two new shopping centres are among company's expansion plans, Mr. Sobey said. One is to be built in Halifax in conjunction with **Webb & Knapp (Canada) Ltd.** and **T. Eaton Co.**

The other, a 27-store centre, is being built in downtown Sydney, N.S., by **Canadian Shopping Centres**, a Sobeys' subsidiary.

Sobeys will have large supermarkets in both shopping centres.

Company is also planning a number of other new outlets throughout the Maritimes. It operates 28 food markets now, with another to be opened in Halifax in October.

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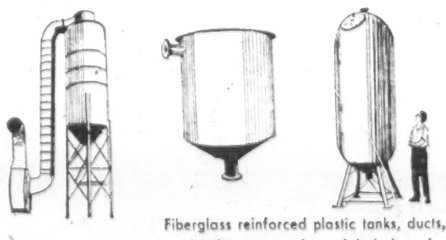

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INVESTMENTS

Here's New Way to Avoid Exhausting Your Savings

By PAUL S. DEACON

ONCE YOU have accumulated an investment portfolio to help provide for your retirement, how can you make sure that it lasts you until you die?

How fast can you pay out the money, without running the risk of exhausting your resources?

Most investors use an investment account to supplement current income during their working years, but they also have in mind the building of a portfolio to help provide for their retirement.

Those who put money aside regularly into stocks also hope to take advantage of the magic of "dollar cost averaging" in their portfolio-building operation.

That is, if they invest fixed sums regularly, the average per share cost of the shares they buy with their regular money payments will be below the average of the prices at which they bought them. The reason is that they will get more shares for their money when prices are low, and fewer when prices are high.

What doesn't occur to many of them, however, is that if they withdraw fixed sums each month after they retire, dollar cost averaging will work against them.

The average per share price at which they sell will be below the average of the prices at which the shares are sold.

They will have to sell more shares when prices are low in order to provide the regular payment they want, than they will sell when prices are high.

This week, **Mutual Funds Management Corp.** (which operates **Mutual Accumulating Fund**) and **National Life Assurance Co. of Canada** unveiled a new plan that provides variable annuities (p. 33).

Payments will vary with the value of the shares in which the holder's premiums have been invested.

One important aspect of this new plan is that it provides a way of liquidating a stock fund in an orderly way over a lifetime, without running the risk that the payments will run out before you die.

It also means that you will be certain to get a higher average price for your shares than by liquidating the same dollar amount of shares each month.

Some funds, for instance, offer "dollar withdrawal plans" under which, say, $100 a month is withdrawn from the fund without regard to the current value or earning power of the stocks in the fund.

This type of system can work reasonably well when stock prices are rising. In the sharply rising market of the past decade, for instance, some funds have been able to present tabulations indicating that after several years of withdrawing $100 a month ($1,200 a year) out of an initial $10,000 investment in the fund, the holder would still have most of his original capital left.

Mathematically, however, it can be shown that even in this highly favorable period, the average price received for the shares is less than the average of the prices at which they were liquidated.

In addition, the fund could disappear rapidly in dropping market. Taking an extreme example, if you had invested $10,000 in a dollar withdrawal plan in which the $100 monthly withdrawals started Jan. 1, 1929, your stake would have been exhausted by March, 1934.

For someone who retires at 65, and is still hale and hearty at 70, the complete disappearance of his source of income five years after retirement is serious indeed.

Instead of withdrawing fixed amounts of money each month, it is possible to liquidate a fixed number of shares.

If share values drop, the monthly payment will fall, but the average per share price received will be the same as the average of the prices at which the shares are sold. It will therefore be higher than the average per share price received if you take out the same amount of money each month.

You might guess that you would live until you are 80, and liquidate your shares over 15 years. But if your guess were wrong on the short side, even the "share-averaging" method wouldn't help once you passed 80, because you wouldn't have any shares left.

That's why the new MAF-National Life type of arrangement makes a special contribution.

Under it, you can retain your interest in stocks, and the better long-run performance you hope to achieve with them. At the same time, the annuity contract undertakes to provide you with a specified number of units each month until you die. The value of the units will vary from year to year as the value of the shares behind them vary.

Studies over various periods show that there can be large fluctuations in the amount of the payments, because of the fluctuations in the market.

The total result is still better than a pure fixed payment annuity in most periods other than the one starting in 1929. Even then, the variable eventually passed the fixed, in real purchasing power.

In the period 1939-1960, illustrated in the chart, the declining purchasing power of the fixed annuity alone leaves it well behind the variable, or the combined variable-fixed ("balanced") annuity.

The comparison wouldn't be as favorable if you assumed the fixed annuity buyer was starting with the same sum in 1939 as the variable and balanced annuity buyers. Nevertheless, it would still be in favor of the stock-backed plans.

The virtue of the fixed-variable combination is the greater stability of income through the period than a pure variable would provide.

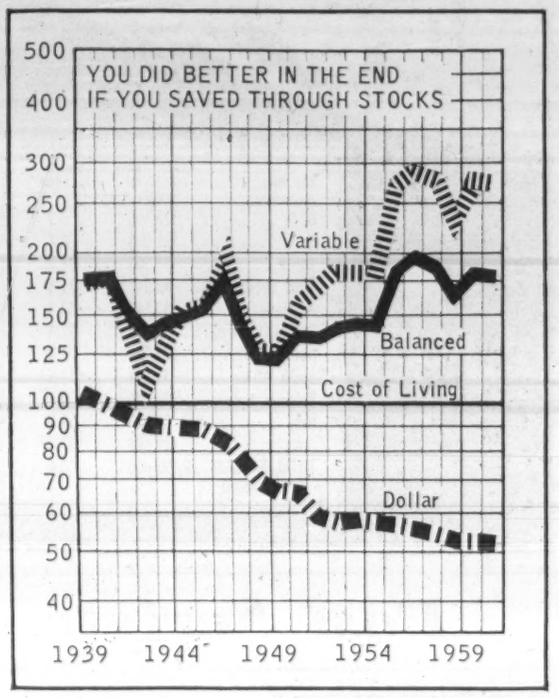
The big feature, however, is the system of liquidation the plan provides.

Lots of people find it difficult to know when to buy stocks. Dollar-cost averaging, through periodic purchases, helps solve that problem.

Even more people are puzzled about when to sell. Share-averaging, through periodic sales of fixed numbers of shares, helps clear up that.

Through the assurance that payments will continue to last as long as you live, the fear of exhausting your resources disappears.

It's a real step forward.



THE CHART shows the results of a 25-year saving period ending in 1938, during which you put aside $27.25 a month. This was invested either in (1) premiums to buy a normal fixed dollar annuity (in this case, a government one); (2) common stocks through mutual fund shares (as represented by the Cowles index of U. S. stock prices and charging regular 8½% commission and management fees).

In 1939, because of changes in living costs, the value of a $100 monthly payment from the fixed dollar annuity gave you about $105 purchasing power initially, but dropped from then on to $52 in constant dollars as the cost of living increased. This is represented by the line labeled "Dollar".

"Cost of Living" line shows what you should have got if you had been able to get a fixed annuity in constant dollars.

"Variable" line shows the monthly payouts in constant dollars if the entire savings accumulated through mutual fund shares had been invested in a variable annuity based on stocks only.

"Balanced" line shows the monthly payouts in constant dollars if the accumulated mutual fund savings had been invested half in a variable annuity and half in a normal fixed annuity.

The graph, prepared by Mutual Accumulating Fund, is plotted on a semi-logarithmic scale, so that changes of, say, 50% are the same on the chart whether they are from $50 to $75 or $100 to $150.

Subsidiaries Join Algoma

Amalgamation of **Algoma Steel Corp.** with two of its wholly owned Canadian subsidiaries was approved at a recent meeting of company directors.

As a further step in implementing company's policy of simplifying the corporate structure, Algoma will join with **Algoma Ore Properties Ltd.** and **Canadian Furnace Co.**

At the beginning of the year, company's two wholly owned coal mining subsidiaries in the U. S. were merged.

Ore Properties operates producing iron mines and owns or leases iron ore deposits in the Michipicoten district of Ontario and west of Ottawa.

Canadian Furnace operates a blast furnace, sintering machine and ore dock at Port Colborne, Ont., at the south entrance of the Welland Canal.

Since operations of the three companies are closely inter-related, the merger will result in administrative and other advantages, President D. S. Holbrook says.

After amalgamation, the corporation's name will be **The Algoma Steel Corporation, Ltd.**, and the two former subsidiaries will be known as Algoma Ore Properties Division and Canadian Furnace Division.

GLOBE ENVELOPES LIMITED

This unusual growth situation is reviewed by us in a specially prepared study, now available to investors.

Globe Envelopes Limited, which recently became a public company, has strengthened its Board of Directors to include such outstanding Canadian businessmen as J. William Horsey, John A. Boyd, Grant Horsey and L. W. Lawson. Our review also outlines a number of additional factors which place the Company in a very advantageous position to expand substantially.

We strongly recommend the Common Class A shares of Globe Envelopes Limited at current market levels.

Copies available on request.

Please send me a copy of your Review of Globe Envelopes Limited
Name .....
Address .....

DOMINION SECURITIES CORPN. LIMITED
Established 1901
Toronto Montreal Winnipeg Calgary Edmonton Vancouver Victoria Ottawa Quebec Halifax Saint John Fort William London Kitchener Brantford Hamilton St. Catharines Boston New York London, Eng.
50 King Street West, Toronto EM. 6-8181

Credit Foncier Issuing Debentures

MONTREAL (Staff) — An issue of $7 million **Crédit Foncier Franco-Canadien** debentures is being offered by a syndicate headed by **A. E. Ames & Co.**

The issue, dated Oct. 15, 1960, is divided into three parts:

- **$1,150,000** 5¼% debentures due Oct. 15, 1964, offered at par to yield 5.25%.
- **$850,000** 5% debentures due Nov. 1, 1967, offered at 97 to yield about 5.52%.
- **$5 million** 5¾% debentures due Oct. 15, 1976, offered at par to yield 5.75%.

Proceeds are for general corporate purposes.

Including this issue, company's debenture debt at Oct. 15, 1960, totaled $55.7 million. In addition, $6.9 million notes were oustanding. Annual interest charges are estimated at $2.9 million, according to the prospectus issued in connection with the offering.

One of Canada's leading mortgage loan companies, Credit Foncier had $77.8 million (less reserves) in mortgages and sales agreements outstanding at Dec. 31, 1959. This compares with $75.3 million a year earlier.

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Investment Securities
Government of Canada 4½% Bonds due September 1st, 1983
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...talk over your plans or projects with the manager of your nearest Canadian Bank of Commerce branch. His background of banking experience and broad business knowledge, combined with the special service facilities of our International Department and Regional Business Development offices across Canada are available to you.

CANADIAN BANK OF COMMERCE
Call us your bankers

We've Had It Too Good?

"We must involve our people in selling to foreign customers in preference to home customers and the main obstacle that has to be overcome is the markedly unenthusiastic attitude of many manufacturers toward export business as such. We are in wide contrast to continental businessmen."

This comes from a responsible and aggressive Canadian businessman who, like many others, is seriously concerned about the health of the Canadian economy. He is Donald Shaver of Galt, Ont., one of North America's largest exporters of chicken breeding stock.

You can agree or disagree with Shaver that we have all grown a bit fat on postwar affluence. Although it is true that few postwar businessmen in Canada have had to hustle to sell at home or abroad as much as their fathers or predecessors had to.

But it is hard, indeed, to find fault with most of his suggestions on how to revitalize Canada's ability to compete in international markets. He suggests:

1. Spend more on research and development.

"In our own business, we set aside one quarter of our income for new research. While this is a tremendous drain, I don't know how else we can stay ahead in our field."

Note that Mr. Shaver is big in the chicken business and likely to stay that way.

2. Go investigate foreign markets and use Canada's excellent trade commissioner service.

"Few Canadian manufacturers make use of this effective service. My European tours take in 10 or 12 countries in three weeks. I could never do this without their ready assistance."

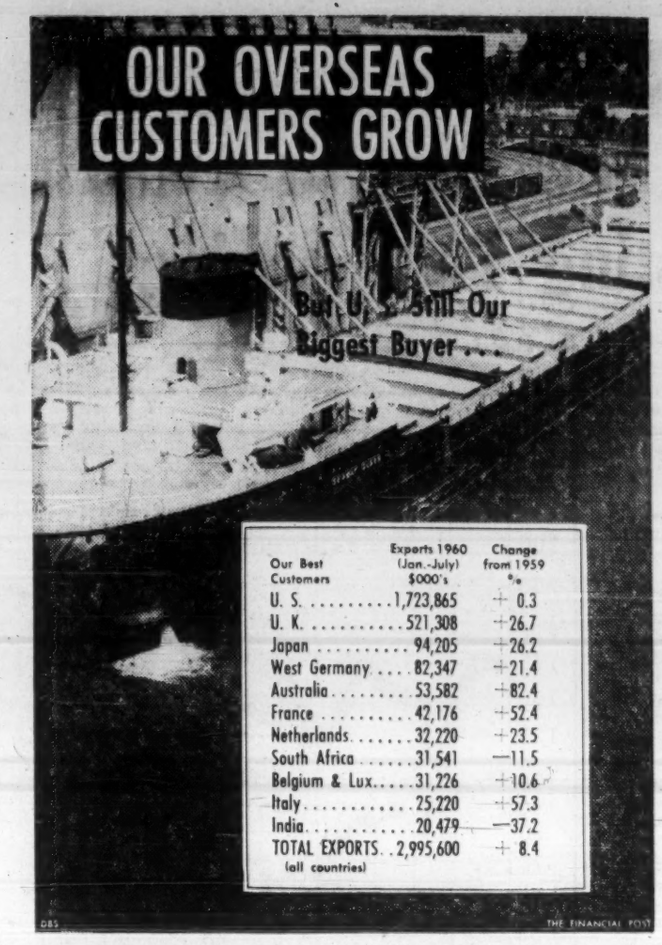
Note that 80% of Shaver's sales are now export sales.

3. Government, labor and business should tackle export markets jointly and in force. The Canadian government must come to grips with our export trade problem and offer positive leadership.

"A small group of the best business brains should be enlisted, divided into teams, supplemented with a labor union leader and sent abroad to examine how leading exporters tackle markets, what their terms of payment are, how long-term financing is arranged, and determine the degree and methods that foreign governments are using to assist their exporters—and then develop an integrated plan of action."

This is fresh, calm and constructive thought on the nagging problem of Canada's competitive position.

It deserves far more than a polite nod from the business fraternity and far, far more than an absent-minded burial in an Ottawa in-basket.



How To Get To the Top

What's ahead for Canada? What are opportunities for personal success?

Tomorrow's leaders in one Canadian community are going to do their best to find out.

They are 150 determined young men who want to get ahead in business and in the community. They plan to do this through an extensive leadership development program, sponsored by the Toronto Junior Board of Trade. The four-course program starts next week and runs through the winter months.

Here's how the program will work.

Under the format of seminars, film showings and panel discussion, after-dinner groups will study Canada's major industries, the business world, art of public speaking and leadership. Well-qualified professional men will lead discussions on investing, insurance, automation and other vital areas of business. Top executives will give their time to lead seminars on the future and importance of our big industries such as pulp and paper, mining, iron and steel, chemical and petroleum.

By next spring these 150 young businessmen should have a better idea of where Canada and they are headed. It is the kind of thinking that needs to be emphasized on a national scale.

For Gourmets and Gourmands

There's good news on the sweet corn front.

Sweeter sweet corn is on the way.

University of Illinois researchers have come up with a type of corn that has a 40% sugar content two days after picking.

It seems, according to the researchers, that today's sweet corn has a sugar content of only 20% which drops to 10% after 48 hours at room temperature — and that's what's wrong with it.

All of which is reassuring information, indeed.

Corn on the cob, we knew, no longer tasted the way it used to when we were younger, when we picked it and popped it into the pot. We had put it down to the fact that we must be aging—and not to the fact that corn sold in the city was aging even faster.

The new sweeter corn will be available as soon as enough seed can be developed for commercial sale. It will, without doubt, then again be one of the greatest of gustatory delights.

No Laughing Matter

One reasonably sound prediction about the U. S. presidential contest is possible. It's a safe bet that neither John F. Kennedy nor Richard M. Nixon will crack a joke—in public — between now and Nov. 8, polling day. One belly laugh could cost a million votes. One wisecrack could cost the crown.

This, at least, is the orthodox political theory, fathered by an Ohio senator of old, Thomas Corwin, who said: "Never make people laugh. If you would succeed in life, you must be solemn as an ass. All the great monuments are built over solemn asses."

Humor is not wholly ruled out by this doctrine though wit is taboo. Lincoln was a humorist in a folksy, humane and unpretentious way. So was Truman. A candidate can get away with making a simple jest that isn't over anybody's head.

Wit is a different matter. It always subtly suggests intellectual superiority on the part of the joker; and heaven forbid that an office-seeker should appear to be intellectually anybody's superior.

Adlai Stevenson is supposed to be the most recent, saddest and conclusive proof that it doesn't pay a presidential aspirant to be amusing.

Off the cuff he would make remarks like "eggheads of the world unite, you have nothing to lose but your yolks." This is only moderately funny but it's a good example of the verbal gag that suggests, to the average yahoo, a flipness of mind unsuited to great affairs.

Are Canadian politics any more entertaining than the U. S. brand? Alas, no. Mr. Pearson is a humorous man, Mr. Diefenbaker has the reputation of a good raconteur but they hide these lights under bushels. Solemnity is the fashion at Ottawa. The country hasn't had a really amusing PM since Macdonald who died in 1891.

There is, of course, always the example of Sir Winston Churchill to prove that, even in this sad century, a man may be both a wit and a political success. But Sir Winston is an exception to all the rules.

Polling the Movie Fans

Viewers of a current film are being handed, when they leave the theatre, a card inviting them to say whether they found the production entertaining, heart-warming, powerful, exciting, humorous, thrilling, full of surprises, lusty or important.

These flattering adjectives are printed seriatim, with spaces for the customer to mark an X. He is also invited to say whether he thought the movie excellent, good or fair.

This leaves the dissatisfied patron in a difficult position. Supposing that he judged the film to be lousy, dull, disheartening, feeble, tepid, humorless, soporific, predictable, gutless and unimportant, how is he to express his view? Merely to abstain from voting won't do any good; this merely leaves the field clear for the rhapsodic.

There is probably no cure for the publicity man's itch to find new gadgets and wheezes. But this latest invasion of the consumer's privacy ought surely to be deprecated with special enthusiasm. A film, play, book or any other artistic product with good qualities will need no formal public opinion poll to make it a success.

Facts for the Politicians

The Labor Department has taken a useful new step in defining the "unemployment" problem. It has produced an estimate which separates the majority of real sufferers from Canada's climate-generated employment swings from the people who couldn't care less.

This is part of the new endeavor to devise a measuring stick for "unemployment," i.e., the state of wanting a job and not being able to find one.

For the last five years, the difference between the number of "persons with jobs" at the summer peak (August) and winter low (February) has averaged 620,000, about 9% of the labor force.

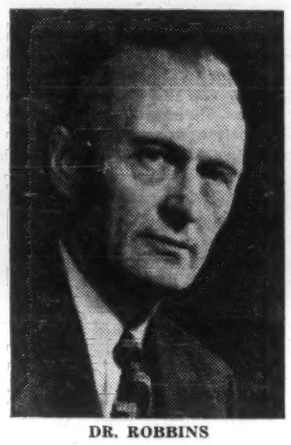
This doesn't mean that 9% of the labor force wants jobs in the winter and can't get them. Far from it.

The fact is, says a Labor Department study, about 300,000 people who work in summer don't want winter work. These are students who return to school, farmers, unpaid family workers on farms; and all sorts of people who pick up extra money by taking temporary jobs in tourist, food-processing and other industries.

The department estimates that with a labor force of about six million, about 250,000 Canadians are unemployed at midwinter for seasonal reasons.

This figure, 250,000, is the real measure of seasonal unemployment in Canada. Political pundits now preparing fall and winter speeches should note that peak employment figures are no guide to the number of people who want steady jobs.

Post Scripts



DR. ROBBINS

Will History Repeat?

Brandon College, which may become the University of Western Manitoba, has a prominent educationist, retired government servant and world traveler as its new president. Dr. John Everett Robbins, 56, is former editor-in-chief of the Encyclopedia Canadiana and for 22 years (1931-1953) with the Dominion Bureau of Statistics.

As a governor, Robbins saw Ottawa's Carleton College grow into a full-fledged university. He hopes this will be repeated in Manitoba. Brandon has a $3.5 million expansion under way and is campaigning to raise $1 million.

Born Hampton, Ont., educated University of Manitoba, McMaster and Ottawa, Robbins is keenly interested in education and public affairs. Helped form Canadian Social Science Research Council and Humanities Research Council. Is president Canadian Citizenship Council, a charter member of the U. N. Association in Canada and takes lively interest in the Canadian Legion, YMCA and Canadian Youth Commission, founded Canadian Association for Adult Education.

Was a member of Canadian delegations to UNESCO conferences in London, Mexico, Beirut, Florence, Scandinavia and Ethiopia.

Dr. Robbins is the sixth president of Brandon. He succeeds the late Dr. J. R. C. Evans, president for 30 years.

At Your Service

If you have business problems that take you to Ottawa, probably the best place to visit first is the office of Bertram C. Barrow or Denis Harvey — two new assistant deputy ministers in the Department of Trade and Commerce.

Barrow is principal advisor on domestic commerce and responsible for commercial negotiations with provincial authorities, trade associations and other business groups. He will answer your queries on trade in Canada.

If you want to know the hows of trading abroad, the man to see is Harvey.

Meet these men:

Barrow, 39, born Montreal, earned his Bachelor of Commerce at McGill, 1945, when he joined federal government services as an economist in the old department of reconstruction and supply. In 1947 entered Trade and Commerce department, being named assistant director, international trade relations branch in 1953. For past five years has been with Tariff Board, last two as chief of research.

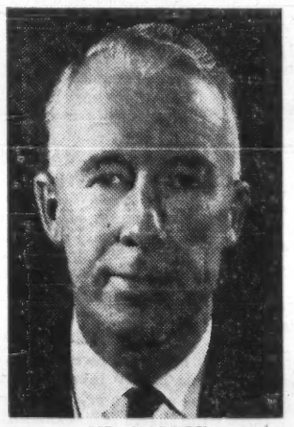
The Trade and Commerce department's business branch now comes under Barrow's jurisdiction. So does the industrial development and standards branches.

Barrow married the former Marion Yvonne Wallace of Montreal. They have three children — James 8, Gregory 6 and Julie 3.

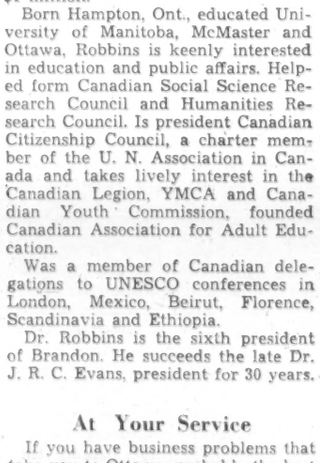
Harvey, 51, was born in England (Hayes, Surrey, came to Canada 1929, studied agriculture and economics at McGill, graduating 1934 with first class honors. For next five years worked at Montreal brokerage firm of W. C. Pitfield & Co. After wartime service as RCN commander, joined Trade department as director of import division. Has been commodities branch director since 1950.

Harvey's new responsibilities include keeping tabs on international trade fairs, tariff rates throughout the world, watching Canada's interests at international meetings on trade in metals, minerals, commodities of all kinds.

Other personal details: Married former Evelyn Barker of Montreal. Their son, Michael, 23, recently graduated in engineering from Queen's; their daughter, Christine, 21, teaches at Petawawa, Ont. Hobbies — cultivating his 2½ acre farm at Orleans, near Ottawa, fishing and curling (vice-president, Rideau Curling Club).



MR. HARVEY



MR. BARROW

Prison Head

Allen Joseph MacLeod, 41, goes to his $17,000-a-year new job as Commissioner for Penitentiaries with long experience in the Justice Department.

He was chief of the remissions service — replaced by the National Parole Board in January, 1959 — and chief of the criminal law section. He drafted the Criminal Code revision that came into force in 1955 and was the department's superintendent of bankruptcy from 1950 to 1954. He succeeds Major-General R. B. Gibson, 65, who becomes special advisor to Justice Minister Fulton with rank of deputy minister.

Since Dec. 1958, MacLeod has headed the correctional planning committee studying the Canadian penal system, with attention to reform and rehabilitation of prisoners. The committee's report is being studied by the cabinet. MacLeod may have the unusual job of putting into effect his own recommendations.

Personal details: Born Revelstoke, B.C. Educated Mount Allison (B.A.) and Dalhousie (B.L.). Commissioned West Nova Scotia Regt. World War II, served Italy. Called to Nova Scotia Bar 1945, joined Justice Department 1946. Created Queen's Counsel, 1955. Secretary Canadian Bar Association's criminal law section.

Married former Margaret Eileen Shaw, daughter of P.E.I.'s present premier. They have three children.

Champlain? Who's He?

How informed are young Canadians about Canada?

T. R. McLagan, president of the Canadian Manufacturers' Association, speaking this week at the first meeting of the CMA's executive council since his election last June, is appalled at the younger generation's ignorance. Here's what he had to say:

By T. R. McLAGAN

I am not afraid that Canadians stand in danger of becoming narrowly nationalistic. The danger is all the other way.

We should surely be troubled that so many of the younger generation especially are so ill-informed and so half-hearted about things Canadian.

A quite frightening example of this was the recent television quiz involving first, second, third and fourth year students of the University of Manitoba.

All of them knew that George Washington was the first president of the U. S., but more than half of them were unable to name the first Prime Minister of Canada.

They could all identify Davey Crockett as an early American frontiersman, but not one of the 15 interviewed could correctly identify all four of Champlain, Dollard, Hearn and La Verendrye.

Again, more than half were able to name at least one U. S. poet or writer, but three out of four were quite unable to call to mind any one distinguished Canadian in these categories. And this in the land of Leacock, Bliss Carmen and Sam Slick!

Again, not a single one out of the 15 could name all four main Canadian political parties.

Worst of all, more than half did not know the date of Confederation itself.

The sad thing about all this is that these young Canadians attending one of our centres of higher learning are not, untypical of their generation. That is to say, where a knowledge of Canada is concerned, they are no worse or no better than tens of thousands of others.

In the face of this unpalatable evidence and the many other indications of national carelessness—I might even say ignorance — should we not have cause to wonder whether our history books should not be revised in such a way as to place much greater emphasis on the development of this nation and the contribution made by leading Canadians in the various spheres of our heritage?

Our history may not be as colorful as that of some other nations but it is *our* history.

This is not simply a criticism of education and students.

As much if not more of the responsibility for the kind of deficiencies rests on parents and those of an older generation.

We have no cause to be afraid of becoming ultra-nationalistic in the next few years.

We stand in urgent need of a strong injection of pro-Canadian fervor into the main stream of our national life.

I believe that we, as the only officially bilingual people in the western hemisphere and by virtue of our political traditions, have a real and distinctive contribution to make to the future of mankind.

"Quote-Unquote"

Walter L. Gordon:

"Most of these (New Canadians) people are gay and intelligent as well as hard-working. They will make a real contribution to Canadian life in the years to come, and already they are beginning to wield considerable influence, as they should do.

"They are city people for the most part, and they will not be content for long with the traditional solemnity, particularly on Sundays, that Toronto was noted for in the past, or with the general drabness and lack of beauty in our public buildings and institutions that we have inherited from a different age.

"Those of us who were born in this country have a great deal to learn from these newcomers about living in big cities, about how to get the most enjoyment out of life, and in terms of entertainment, of friendship, of neighborliness and close-knit family ties."

* * *

J. Paul Getty in "The Richest American" by Ralph Hewins:

"To me the important thing is not how much money I have, but what the money is doing."

* * *

James Reston in The New York Times:

"The paradox of the Presidential campaign, so far, seems to be that both sides are losing ground with their best arguments and making progress with their worst.

"When Senator Kennedy appeals to the special prejudices of the farmers, the unions, the Zionists, or the protectionist textile interests of New England, he woos the local audiences. When he asserts, with more conviction and logic, that our foreign policy is leading us deeper and deeper into trouble, the crowds are less enthusiastic.

"Similarly, when Vice-President Nixon tells the boomsters and jingos that we are the strongest nation in the world, they whoop with joy, but when he insists on a sensible farm program or a larger foreign-aid program, they sit on their hands."

* * *

K. W. Taylor, deputy minister of finance, in the new book Canadian Public Administration:

"It might be a good rule to require each committee, council or conference, every five years or so, to submit a written apologia for its continued existence and perhaps we might find a panel of Devil's Advocates to review these submissions."

* * *

Calgary Herald:

"The seemingly ever-growing trend to specialization in the medical field is leading to a breakdown in the all-important doctor-patient relationship because of the fewer numbers of general practitioners.

"Only physicians can establish and maintain this delicate relationship, and specialization, with its unavoidable treatment of the patient as a case rather than an individual human being, does not readily lend itself to this end.

"If this relationship can be established and maintained, if doctors treat their patients as individuals, then the case for state medicine will lose much of its potency."

* * *

Alan Paton, South African author:

"There is no longer any room on the continent of Africa for any white person who considers that the color of his skin entitles him to special privileges. African people may excuse personal arrogance, but they will no longer excuse racial arrogance."

Stop Me If . . .

"All you ever think about," complained the forlorn lady to her husband, "is your golf game. I'll bet you don't even remember the date we were married!"

"Of course I do!" retorted the indignant spouse. "It was the day I holed the 12th in one."

The Financial Post

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Sept. 24, 1960

U.S. Election a 'Haphazard Gamble'?

Political scientist would re-write the constitution . . .

By J. B. McGEACHY

THE U. S. POLITICAL SYSTEM which strikes many outside observers as antique and creaky, is regarded as almost sacrosanct by the mass of American voters but not, it seems, by all American scholars.

In a new book called "The Presidency, Crisis and Regeneration," Dr. Herman Finer describes presidential elections as "a haphazard gambie of smoke-filled rooms and demagogic tumult." As Finer is professor of political science at Chicago, he ranks as a major pundit.

Timed to hit the market just as Richard Nixon and John F. Kennedy approach the climax of their race, Finer's work is a truly devastating attack on the American method of choosing a chief executive, and on the constitutional plan that gives total executive power to one man, risking everything on his nerves, brains and character.

This system, says Finer, was all very well for the pastoral America of the 1780s when the founding fathers devised it; but it's quite unsuitable to the 20th century.

The Chicago critic would practically re-write the constitution, that sacred text, from end to end. He would have the president share his powers with an elected cabinet. He would have all members of this executive, including the chief, sit in Congress as members—along with the defeated candidates for their positions.

Under this scheme Mr. Eisenhower would now be obliged to submit to questions, take part in debate and give leadership in the legislative branch of the government. So would his secretaries of state, treasury, defence and other departments. So would Adlai Stevenson and the men chosen back in 1956 to run as his executive team; they would form the official opposition and shadow cabinet.

Finer, it's plain, is a great admirer of the British parliamentary arrangement that also prevails in Canada. He recommends something very like it (except that the president's term would still be fixed at four years) for the U. S.

It's an eye-opener to a Canadian reader that such heretical views are in circulation in the U. S. Finer can hardly be a minority of one in his unorthodox belief that the separation of law-making and administrative powers, the first principle of the American system, is a tragic mistake.

He begins his book with a catalogue, a fairly familiar catalogue, of his country's shortcomings.

Its crime rate is high, its juvenile delinquency "by far the worst in the world." Inefficiency and graft are rampant in government, "America should be outraged by the quality of its education." American soldiers captured in Korea couldn't defend "democracy"; Mr. Eisenhower himself had difficulty doing so in a conversation with his friend Marshal Zhukov.

Continuing the tale of woe, Finer notes that the rate of economic growth is much slower in the U. S. than in Russia. He gives it as "an officially accepted fact" that Russia has a three-to-one advantage in long-range missiles. The U. S. has lost ground diplomatically — notably in Cuba.

These misfortunes have befallen the U. S., says Finer, not because it lacks brains, courage or resources but because its plan of government, especially the presidential setup, produces divided and incompetent leadership. He proceeds to document this charge and produce his remedy for the melancholy state of the nation. No Polyanna is Dr. Finer.

J. B. McGEACHY

"Every four years, under Prof. Herman Finer's plan, the Americans would elect a 12-man administration (a president and 11 vice-presidents) who would be chosen from the membership of Congress, serve as cabinet officers and sit, as U. K. and Canadian ministers do, in the lower House."

He is quite savage in his assault on the nominating system. Normally, he says, the conventions have no clue to the opinions or quality of the men among whom they are asked to choose. The aspirants, as a rule, have not been competitors (as our MPs are) in the same political forum. Their dominant quality is ambition, "a passion that conceals much dross" and "is not the sole index to a man's right to aspire."

A man who would be president, says Finer, had better keep silent about his political philosophy, if he has one, and rely on charm, on which the system puts a premium. Charm, Finer writes, is Eisenhower's chief asset. He had no record whatever as a politician when first nominated in 1952. The inner group that put him in the White House made "a bet that a reputation as a hero and a universally known grin would decide millions of votes," a bet that paid off, at least in Republican capture of the highest office.

It will be a sad day for the U. S. if the presidency is ever regarded as just one more medal to pin on a victorious general's breast, says Finer. He quotes the comment of an American political pro that Eisenhower was "pretty much for mother, home and heaven."

For the election process, which he regards as merely a quadrennial plebiscite, Finer has profound contempt. He quotes a Michigan judge: "If democracy depends on choice, and choice on accuracy of data, I suspect that our country is in the hell of a fix." He lists the gambits used by candidates, baby-kissing, name-calling, slogan-coining, identification of self with the audience at hand ("if rural postmasters then a rural postmaster, if sports fans then a sports fan") and a dozen other devices for creating a potent "image."

The whole show, thinks Finer, is an exercise in deception. Now, he laments, TV has given the charmer an opportunity to deceive the whole nation "at one fell stroke."

He cites a case, without giving names, of a candidate who swore by his "lifelong principles" in a TV talk and then was so unsure of them that he had to read them from a teleprompter. Finer would ban the use of this gadget by presidential hopefuls. He would like to see open public argument between candidates from the same platform, on the model of the famous 1860 debates between Lincoln and Stephen Douglas.

The word "gamble" occurs repeatedly in Finer's discussion. The choice of the American chief magistrate, he says at one point, is a "gamble, a risky undertaking for high stakes, that may reward us with a president of the highest talent or penalize us with an inept, feckless, lackadaisical glad-hander."

The book (though up-to-date enough to mention the U-2 incident of last May as an example of fecklessness) was evidently written before Nixon and Lodge were named by the Republicans, Kennedy and Johnson by the Democrats.

When Finer says that candidates haven't usually been competitors in the same forum, he means that they haven't sparred and battled for influence in Congress. But all four of the current runners have served in Congress as senators. Presumably Finer would regard this year's contest as better than average in this respect; and he may conceivably be pleased by the news that Kennedy and Nixon are to meet face-to-face and (it's hoped) exchange opinions on TV.

But in Finer's estimation Congress, as now constituted, isn't an adequate training ground; it has to be turned into something resembling a U. K. or Canadian parliament before he will reckon it a proper nursery for presidents.

U. S. elections, then, in Finer's view, are a coin-tossing proposition for the great American public. He doesn't believe that any special providence or guardian angel is protecting his country; nor does he accept Harold Laski's theory that the man with the better character is always chosen president (he cites Warren G. Harding in rebuttal). It's a matter of sheer luck, he thinks, whether the quadrennial plebiscite brings forth a genius or a smiling nonentity.

But polling day doesn't dispose of the last of the risks. The next step in Finer's argument is that the president's job is too big for any man, no matter how gifted or energetic.

Even George Washington, in the first years of the republic, complained that his labors were excessive, though he had Alexander Hamilton to act as his Prime Minister and do his work for him and though he had only six departments, with a total staff of 2,000, to deal with.

The constitution-makers, when they placed the totality of executive power in one man's hands, had no prevision of the present size of the U. S. or its government.

They were casual about the vice-president (often a makeweight on his party's ticket) and they made no provision at all for rule by a deputy when illness or injury, as has happened several times, incapacitates the chief of state. But these hazards aside, the duties of the president (he is the responsible head of all departments as well as commander-in-chief of the armed forces) are now beyond the wit and will of the ablest and healthiest man.

Finer implies, by repeated quotation from Eisenhower's replies at press conferences, that the present incumbent has in some degree abdicated his functions; and he produces an elaborate, detailed argument that if the president doesn't rule and lead, no one else can.

The White House staff now includes many experts, agencies and committees as well as "special friends" of the chief (Roosevelt had his Harry Hopkins and Eisenhower his Sherman Adams); but these "homunculi," says Finer, "cannot combine into one political homo sapiens," no matter how numerous they are. **In other words, they can give no direction to policy in the absence of direction from the top. Finer says they are now working largely for other purposes than informing their chief; and his explanation is that the president doesn't know what guidance to ask for.**

Congress can't rescue an inept president. Neither, says Finer, can the cabinet.

He gives a revealing and astonishing account of the U. S. cabinet at work. General policy questions are almost never on its agenda. Nor do the president's ministers bring their departmental worries to the cabinet room; they're afraid of "interference" in their affairs. Typically, they are business men, with no political experience or savvy, summoned to do a specific executive job.

Their tenure of office is usually short (Dulles was an exception). They have no collective responsibility. They are rivals, rather than colleagues. Finer goes so far as to say that the U. S. cabinet "increases antagonisms."

Finally, says this severe critic, the president can't rely on the long-term services of top-grade civil servants because a senior civil service, on the British model which Finer describes with admiration, "doesn't exist" in Washington. The turnover in officials just below cabinet rank is rapid. It's "an accepted fact" that fully one third of the people in the top 750 jobs at any time will have departed within a year. Finer calls this "alarming."

It must appear extraordinary, if one accepts Finer's account, that the U. S. has survived nearly two centuries of government so ramshackle and inefficient; and, of course, there are political scientists who disagree with Finer entirely. British writers on the U. S. constitution, for example, are usually rhapsodic about its merits. But Finer can quote American colleagues who go at least part way with him in his criticism and his proposals.

Briefly, he would divide up the executive responsibility, and he would forge a close link between the White House and Congress. Every four years, under the Finer plan, the Americans would elect a 12-man administration (a president and 11 vice-presidents) who would be chosen from the membership of Congress, past or present, serve as cabinet officers and sit (as U. K. and Canadian ministers do) in the lower House — along with their opposite numbers in the defeated party.

The cabinet would not be removable, under this scheme, by a vote of no confidence; but in effect, thinks Finer, it would become collectively responsible to the law-making body. Finer claims that the result would be an immense improvement in the quality of American government. He may be right; but it seems doubtful if the Americans and their friends will ever have a chance to test the theory in practice. The constitution is a very tough plant.

The Presidency: Crisis and Regeneration, by Herman Finer. University of Toronto Press. 374 pp. $6.95.

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Business Across Canada

HOW'S BUSINESS? That's the big question right across the country. This regular FP feature helps to answer it for businessmen everywhere, by comparisons for representative cities coast-to-coast.

This table shows figures for June, the latest complete month available. Despite the time lag, the comparisons are valuable indicators of each area's business health.

COMPARISONS — JUNE 1960, JUNE 1959

	Average Weekly† Wages & Salaries $	Average Weekly Wages & Salaries Change %	Employment Indexes Change %	Consumer Price Indexes Change %	Value of Building Permits Change %	Housing Starts 6 months Jan.-June Change %
St. John's	55.56	+4.3	+1.1	+1.7	—22.4	—10.9
Halifax	62.06	+3.1	+1.5	+1.3	—38.3	+8.7
Saint John	62.62	+8.1	+10.0	+1.3	—12.1	+7.1
Quebec	62.69	+3.0	+2.4	...	+23.7	—31.3
Sherbrooke	62.27	+5.0	+0.5	...	—40.2	+11.0
Trois Rivieres	69.98	+1.9	—4.5	...	+33.3	—31.1
Montreal	74.23	+3.3	+0.7	+1.5	+0.6	—28.9
Ottawa-Hull	69.94	+2.8	+1.6	+2.1*	+11.9	—35.8
Peterborough	83.78	+2.3	—6.5	...	—1.5	—14.1
Toronto	79.32	+2.2	—1.5	+1.6	—12.8	—33.4
Hamilton	83.53	+1.4	—0.5	...	—35.1	—38.9
St. Catharines	85.65	+1.8	—4.2	...	—54.3	—53.6
Brantford	70.51	—0.3	—13.0	...	—32.9	+31.6
Kitchener	72.47	+2.9	—0.2	...	+33.2	+47.2
London	72.67	+3.6	+0.3	...	—18.1	—28.8
Sarnia	97.84	+8.1	+12.7	...	+31.7	—4.1
Windsor	86.60	+2.0	—6.4	...	—7.9	—55.2
Ft. William-Pt. Arthur	78.58	+5.2	—5.1	...	—47.6	—62.7
Winnipeg	69.37	+1.9	+0.4	+1.8	—1.5	—19.3
Regina	68.81	+3.5	—3.7	+1.3‡	—50.8	—36.7
Saskatoon	67.99	+1.8	+2.8	...	+19.1	—7.2
Edmonton	72.81	+1.7	—2.0	+1.0‡	—12.7	—59.6
Calgary	74.10	+4.4	+0.5	...	—36.5	—35.1
Vancouver	81.76	+3.0	—3.4	+0.7	—31.1	—50.6
Victoria	74.11	+2.3	—4.1	...	—36.8	—23.9
CANADA	75.67	+2.6	—0.6	+1.3	—9.7	—29.8

†Industrial composite on June 30, 1960.
*Ottawa only.
‡Joint indexes for Regina-Saskatoon and Edmonton-Calgary.
Blanks indicate figures not available.
Source: DBS reports.

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RC 138

Party Fortunes Wax, Wane In Three B.C. Elections

To bring up-to-date your handy tally of provincial elections (FP, July 9), here are the tabulated results of the recent British Columbia election compared with standings in 1953 and 1956:

	— 1960 — Seats	% of Popular Vote	— 1956 — Seats	% of Popular Vote	— 1953 — Seats	% of Popular Vote
Social Credit	32	39	38	46	28	45
CCF	16	32	10	28	14	29
Liberals	4	21	3	22	4	23
Labor	..	..	1	..	1	..
Progressive Conservatives	..	7	..	3	1	1

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ANNOUNCEMENT

WOLF ELECTRIC TOOLS APPOINTMENT

DERRICK F. KERSHAW, General Manager

Mr. Geoffrey M. Wolfe, Managing Director of Wolf Electric Tools Ltd., London, England, announces the appointment of Mr. Derrick F. Kershaw as General Manager of the firm's Canadian operation, Wolf Electric Tools Ltd., 93 Advance Rd., Toronto 18, Ontario.

Succeeding the late Mr. R. G. J. Nisbet, Mr. Kershaw brings more than 6 years' experience in the Canadian machine tool field. Prior to his new appointment, he was Director and Sales Manager of S. Elliott (Canada) Ltd., Port Hope, Ontario after being associated with the firm's parent organization in England.

Mr. Kershaw will be visiting the Wolf Head Office in London Sept. 19-Oct. 22.

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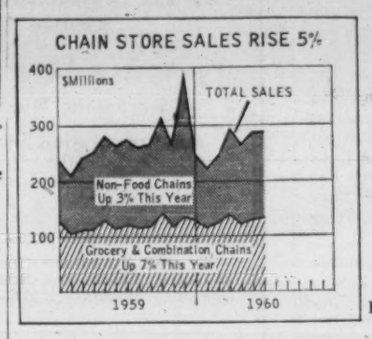
Trend of Business

Chain store turnover was bigger than a year ago in each of the first seven months of 1960 except May, lifting sales for the period to $1,856 million, 5% above $1,767 million last year. July sales showed a 4.4% gain to $287.9 million. Sales of grocery and combination store chains rose 9.6% in July to $132.9 million, to boost seven-month volume 7.3% to $900.3 million ($838.8 million).



Radio, television sales drop. Sales of radio receiving sets declined 6.9% in July to 44, 15 units from 48,012 units in like 1959 month, leaving first seven months' total 9.5% below last year at 353,171 units. Television set sales fell to 19,908 units in the month (27,213 year ago) for an 18.9% drop in January-July period to 156,169 units.

Labor Day shutdown in some plants trimmed steel output in week ended Sept. 10 to 89,145 tons from 105,661 tons week before (99,748 tons a year earlier). Steel mills operated at 69% of capacity vs. 81.8% week before, 82.2% in like 1959 week.

New motor vehicle sales set a record in 1959 at 502,626 units, up 13% from preceding year's 444,769 units (previous record was 499,921 units in 1956), final figures show. Retail value was at a new peak of $1,540 million ($1,365 million in 1958, $1,455 million in 1956). Sales of foreign-made vehicles numbered 122,340 (valued at $243.1 million) vs. 83,863 ($165.3 million) in 1958.

Less meat on hand. Cold storage holdings of meat at Sept. 1 were estimated at 62.4 million lb., vs. 71.5 million lb. month earlier and down sharply from 117.5 million lb. a year ago. Frozen meat stocks totaled 34.3 million lb. (85.9 million lb. year ago), fresh meat 19.5 million lb. (20.7 million) and cured meat 8.5 million lb. (10.9 million).

Cement shipments off 15.6% from last year. Lower level of construction is reflected in smaller shipments by cement manufacturers. July total of 669,851 tons was 19.2% below 829,108 tons in like 1959 month, while first seven months' shipments dropped 15.6% to 2.9 million tons from 3.4 million tons last year.

Canadian wheat flour production rose 1% in crop year ended July, 1960, to 40.3 million cwt. from 39.8 million cwt. in previous year. Exports for the year totaled 16.3 million cwt., up 0.8% from 16.1 million cwt. in 1958/59 crop year.

"Pop" production down in August from year earlier for third successive month, totaling 18.1 million gal., off 2.9% from 18.7 million gal. in like 1959 month. However, gains in earlier months left output of carbonated beverages for year to date 2.4% ahead of a year ago at 110.2 million gal. (107.5 million).

Major Weekly Indicators

	Latest or Week	Date Ended	Previous Week	Change from Month ago %	Change from Year ago %
Passenger car production	(Sept. 17)	2,422	1,088	+316.1	—8.0
Truck production	(Sept. 17)	1,165	291	+446.9	+33.4
Bus. fail.4-wk. moving av. (no.)	(Sept. 8)	35.8	37.5	+ 8.5	+50.4
Steel ingot production (tons)	(Sept. 10)	89,145	105,661	— 1.1	—10.6
Steel production (%capacity)	(Sept. 10)	69.0	81.8	— 1.1	—16.1
T.S.E. industrial index	(Sept. 20)	485.63	501.25	— 2.8	— 1.4
Yield 114 stocks	(Sept. 19)	4.73%	4.67%	— 0.4	+ 6.3
Chartered banks					
Personal savings ($ millions)	(Sept. 7)	7,242	7,215	+ 0.7	+ 0.2
Loans outstanding ($ millions)	(Sept. 7)	6,134	6,147	— 1.7	— 3.7
NHA mtge. hldgs. ($ millions)	(Sept. 7)	977	979	— 0.4	+ 7.6
Bank clearings					
Montreal ($ millions)	(Sept. 16)	995	923	— 8.0	+ 4.4
Toronto ($ millions)	(Sept. 16)	1,330	1,215	— 8.8	+12.9
Cdn. dollar (U.S. cents av.)	(Sept. 20)	103.099	103.086	— 0.2	— 2.0
Carloading totals	(Sept. 7)	68,093*	115,682	+ 0.7	+ 1.0
Eastern Canada	(Sept. 7)	42,266	*74,817	— 4.5	— 7.8
Western Canada	(Sept. 7)	25,827	*40,865	+ 10.6	+19.8
Iron and steel mfg.	(Sept. 7)	731	*1,326	— 10.9	—34.0
Ores, concentrates	(Sept. 7)	10,558	*14,184	— 11.9	—13.7
Base metals	(Sept. 7)	535	*869	— 11.1	+ 0.4
Lumber, timber, plywood	(Sept. 7)	3,377	*6,467	— 20.8	— 4.0
Cement	(Sept. 7)	700	*1,135	— 12.3	+ 7.9
Bank of Canada holdings of					
Securities ($ millions)	(Sept. 14)	2,747	2,747	— 0.1	+ 0.7
Short-term govt. ($ millions)	(Sept. 14)	900	900	— 0.4	+68.9
Long-term govt. ($ millions)	(Sept. 14)	1,770	1,770	—	—16.5
Other securities ($ millions)	(Sept. 14)	14	14	—	—26.3
Department Store Sales % change from year earlier	(Sept. 3)	+3.4	+3.8	+1.6	+20.5

* 10-day end-of-month period.

Facts by the Month

WHAT WE PRODUCE—	Latest Month	One Month Previous	Change From Two Months Ago %	Change From Year Ago %
In all industries (Index)	June 174.1	169.7	+5.9	+0.7
In factories (Index)	June 157.8	153.2	+6.7	—0.5
Total nondurable goods (Index)	June 157.2	152.8	+6.6	+2.2
Food and bev.	June 160.9	150.2	+20.2	+0.9
Textiles	June 127.2	124.7	+1.2	+2.3
Clothing	June 105.5	110.2	—8.3	—6.1
Chemical products	June 233.5	227.3	+3.9	+27.0
Total durable goods (Index)	June 158.5	153.7	+6.8	—3.5
Iron and steel products	June 147.3	143.1	+4.3	—6.1
Primary iron & steel	June 161.5	164.9	—4.3	—9.6
From mines (Index)	June 258.5	251.1	+10.2	+1.0
Metals	June 202.3	188.9	+8.1	—1.3
Nonferrous smelting, refining	June 166.1	158.4	+1.8	+9.6
Gold	June 112.7	110.1	+5.7	+8.2
—From farms				
Cattle delivered (000)	June 183	147	+34.6	+14.4
Hogs graded (000)	June 534	495	—3.8	—24.5
Grain mill products (Index)	June 133.2	132.2	+3.0	+1.4
—From sea				
East Coast catch ($000)	July 10,513	8,929	+4.9	+7.4
West Coast catch ($000)	July 7,496	2,643	+264.9	+21.8
—From forests				
Newsprint (000 tons)	July 556	568	—1.2	+3.7
Pulp (000 tons)	July 909	932	—2.6	+4.2
—In powerhouses				
Electricity (million kwh.)	July 9,035	9,133	—3.6	+11.7
WHAT WE SELL—				
Retail sales ($ millions)	June 1,413	1,407	—0.6	+1.1
Dept. store sales ($ millions)	July 94.1	112.1	—19.2	—2.9
Wholesale sales ($ millions)	June 772	784	+11.1	+0.2
Mfrs. outstdg. orders ($ millions)	June 2,138	2,170	—2.8	+3.9
Pass. car sales (units)	June 50,747	50,789	+1.2	+4.4
WHAT'S ON HAND—				
Mfrs. inventories ($ millions)	June 4,500	4,505	+0.3	+3.5
Dept. store stock sales ratio	July 3.6	3.1	+20.0	+20.0
SPENDING, SAVING POWER—				
Labor income ($ millions)	June 1,586	1,534	+6.7	+3.9
Dividend payts. (Index) (annual rate)	Aug. 322.2	321.9	+0.6	+7.3
JOBS—				
•Persons with jobs (000)	Aug. 6,301	6,281	+2.4	+1.8
•Jobless seeking work (000)	Aug. 322	311	+7.3	+34.7
•Do. (% of labor force)	Aug. 4.9	4.7	+6.5	+32.4
CONSTRUCTION—				
•Contract awards ($ millions)	Aug. 221	267	—27.8	—29.8
FOREIGN TRADE—				
Exports ($ millions)	July 465	457	—4.3	+8.4
Imports ($ millions)	July 427	490	—17.7	—10.9
MONEY—				
Money supply ($ millions)*	June 12,928	12,807	+0.9	+0.7
Cheques cashed ($ millions)	June 25,882	22,886	+11.5	+17.7
Life insurance sales ($ millions)	July 519	543	—7.0	+10.0
•Notice deposits ($ millions)	July 7,733	7,680	+1.4	—0.9
•Current public loans ($ millions)	June 6,162	6,110	+0.8	+3.1
PRICES—				
Consumer prices (Index)	Aug. 127.9	127.5	+0.2	+1.2
Wholesale prices (Index)	Aug 230.3	232.2	—0.7	—0.3

*Total deposits, less Govt. of Canada deposits, less float, plus notes in circulation outside the banking system.

STRATEGIC MATERIALS—Production and Supply—	Latest Month	Month yr. ago	Yr. to date	% chge. yr. to date
Steel ingots & castings (000 tons)	June 444	468	3,176.1	+12.6
Nickel (000 tons)	June 18.4	16.6	104.7	+24.2
Primary copper (000 tons)	June 37.0	37.0	218.8	+17.1
Lumber exports (million fbm.)	May 441	347	1,818.8	+10.0
Lumber (million fbm.)	May 658	674	3,134.9	+3.2

•New item this week.

Index based: production 1949=100; consumer price index 1949=100; wholesale price index 1935-39=100.

Date of issue for your file, The Financial Post, September 24, 1960.

Big European Stocks May Be Listed in Canada Soon

(CONTINUED FROM P. 1)

readily available to MSE members and hence their clients will be further extended.

Proposal to trade overseas issues here is not viewed favorably by all brokers. Those who already have well established overseas connections fear inroads of competitors who have not had either the trouble or expense of establishing and building foreign contacts.

Then, too, some firms say it is undesirable to encourage Canadians to invest in foreign stocks and thus export Canadian capital.

Proponents of the scheme counter that those Canadians interested in European stocks will likely buy them anyway, whether or not they happen to be listed in Montreal. The listing only makes it more convenient to do so.

They add that availability of selected European equities may increase general investment interest, a trend from which the Exchange, brokers and Canada as a whole would benefit.

Stocks which MSE is seeking to list include shares of large established English, French, Dutch, Belgian, German or Italian corporations which Canadians likely would be interested in, either by virtue of the companies' Canadian operations and/or sales, or because of the world-wide scope of their operations.

Such companies as **Bowater, Tate & Lyle, Unilever, British Petroleum, Fiat, Petrofina, Royal Dutch** and **Philips** are among those to be asked.

Members of the investment community point out that stocks being sought could be traded on a CDR basis without either the company's consent or listing in this country. Such trading, however, would have to be on an unlisted basis on the Canadian Stock Exchange, as the MSE handles listed issues only.

Exchange officials are understood to be reluctant to have the overseas shares traded here other than on a listed basis.

If the proposal comes off, it will be another feather in the cap of the Montreal Stock Exchange which, for the past year, has been battling hard to reassert its claim as undisputed centre of the Canadian investment scene.

No Gripes So Far About Zodiac Cab

From Our Own Correspondent

WINNIPEG—So far there have been no gripes about Winnipeg's smallest taxi.

Last May 16 one member of **Veterans-Nash Taxicab Association** was given a license to operate a Zodiac taxi made by **Ford Motor Co.** at Dagenham, England.

The license expires Nov. 16 and the Manitoba Taxicab Board will decide whether to re-issue it.

Of the 400 taxis in the city this is the only smaller-than-standard car in operation.

Veterans-Nash is an association whose members own and operate their cars.

So far no complaint has been received from the operator to whom the license was issued nor has any been received from passengers who have ridden in it.

In the interim there has been only one other application for a taxi license for a smaller-than-standard car.

The Manitoba Taxicab Act doesn't specify space requirements or any other conditions applicable to cars for the taxi business.

Suitability of the vehicle for passenger accommodation and comfort is left to judgment of board members.

New Paint Book Tells How to Get Full Dollar Value

A new booklet, "How to Get Full Value for your Paint Dollar", has been published by the Association of Canadian Better Business Bureaus.

It is designed to help consumers buy and use paints properly and was inspired by many enquiries on the subject made to Better Business Bureau offices across Canada.

Complex chemical formulas have produced paints of higher quality and performance in recent years.

But as new types of paints appear, unethical operators step in to bilk the public with fancy promises and worthless products, the booklet says.

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NEWPORT OF CANADA LIMITED
217 BAY STREET, TORONTO, CANADA
MR. L. Y. TANABE TELEPHONE EMPIRE 3-6138

Company Reports

Food

KELLY, DOUGLAS & CO., Vancouver, consolidated net profit for the 52 weeks ended May 28, 1960, was $1,012,056, down 22.9% from the $1,312,947 earned in the 53 weeks ended May 30, 1959.

Earnings were lower for the first time in five years — reflecting the change in the supermarket industry. All of company's divisions felt the effect of a softer Canadian economy in the last half of the 1959-60 fiscal yead.

Company has felt effect on both sales and profits, of higher wages, greater depreciation on new equipment, increased marketing activity, and competitive pricing, says President Victor F. MacLean.

Wholesale division during the year showed an improvement in profits and maintained its sales position, with the greatest improvement in both sales and profits being outside the Vancouver area. Division operates 10 warehouses, five cash and carry depots, a frozen food operation, and a service jobbing department (non-food merchandise). All these operate profitably.

Sales volume of manufacturing division was lower because of lower prices on several of its prinicpal raw materials. Profit margins were lower as costs continued to rise. Several product lines were launched in new marketing areas.

Sales of instant coffee fell short of sales budgets. Improved peanut butter sales are seen this fiscal year. Sales and profits in sundry manufacturing showed steady improvement. Confection sales and profits improved with introduction of a number of new candy lines. Jam sales volume and earnings were down slightly.

Retail division added nine new Super-Valu markets during the year, four of them owner-operated. A further four stores were renovated, additional space provided, new equipment installed.

Store volumes generally suffered throughout British Columbia, with the addition of new chain store expansion. This resulted in over-servicing of customers' needs in many locations. Company's retail expansion this year will be limited to selective locations primarily in shopping centres.

CONS. INCOME ACCOUNT

	52 weeks ended May 28 1960	52 weeks ended May 30 1959
Net oper. income	$3,107,024	$3,511,666
Add: Prof. sale f.a.	6,617	26,129
Net earnings	3,113,641	3,537,795
Less: Deprec.	757,838	647,226
All interest	385,168	308,578
Amort.	8,579	9,044
Income tax	950,000	1,260,000
Net profit	1,012,056	1,312,947
Less: Cl. A divds.	208,314	205,602
Surplus for year	803,742	1,107,345
Times All Interest Earned:*		
Before deprec.	8.06	11.44
After deprec.	6.09	9.34
*After amortization.		
Earnings per Share and Dividend Record:		
Class A: Earned†	$1.19	$1.56
Paid	0.25	0.25
Class B: Earned†	0.50	0.70
None paid.		
Cl. A & B: Earned‡	0.41	0.54
†Before (‡after) taking participation feature into account.		
Shares o/s:		
Class A, n.p.v.	847,275	841,430
Class B, n.p.v.	1,603,500	1,588,875

CONDENSED CONS. BALANCE SHEET

As at:	May 28 1960	May 30 1959
Cash	$214,196	
Accts. rec. less res.	3,042,258	$3,694,022
Inventories	10,188,494	9,148,302
Prop. held for sale	766,483	1,042,819
Prepaid exps.	293,301	225,099
Total curr. assets	14,506,772	14,110,242
Fixed assets*	6,339,221	5,980,707
Other assets	489,325	465,055
Total assets	21,335,318	20,556,004
Bank loan	441,000	825,952
Accts., etc., pay.	4,814,261	4,601,647
Debt due	225,400	279,000
Inc. tax pay.	428,168	739,320
Total curr. liab.	6,908,829	6,443,919
Def. inc. tax	386,314	287,21[illegible]
Funded debt	3,948,400	4,068,0[illegible]
Capital stock	3,356,293	3,323,1[illegible]
Capital surplus	774,000	774,00[illegible]
Conting. res.	100,000	100,00[illegible]
Earned surplus	6,361,482	5,557,7[illegible]
*After depr. of	4,609,538	3,810,18[illegible]
Working capital	7,597,943	7,664,32[illegible]

Note—As at May 28, 1960, contingent liabilities amounted to $547,364, and contractual commitments were $426,316.

ANNOUNCEMENT

McAVITY APPOINTMENTS

W. A. S. CASE — J. McAVITY — G. McAVITY — H. W. BLAKLEY

L. H. T. Clegg, President, Crane Limited, Montreal, announces the appointment of the following officers of T. McAvity and Sons Limited, recently acquired by Crane Limited — W. A. S. Case, Executive Vice President and General Manager, George McAvity, Vice President—Production, James McAvity, General Sales Manager, and Harold W. Blakley, Vice President. Mr. Blakley was recently appointed Executive Vice President of Crane Limited. In addition, Mr. Case and Mr. Blakley have been elected directors of T. McAvity and Sons Limited.

These debentures having been sold this advertisement appears as a matter of record only.

NEW ISSUE

$7,000,000

Crédit Foncier Franco-Canadien

To be dated October 15, 1960

$1,150,000
5¼% Debentures to mature October 15, 1964
(Non-redeemable prior to maturity)

$850,000
5% Debentures to mature November 1, 1967
(Redeemable on or after November 1, 1962)

$5,000,000
5¾% Debentures to mature October 15, 1976
(Redeemable on or after October 15, 1970)

In the opinion of Counsel, these debentures will be eligible for the investment of Trustee Funds in the Province of Quebec by authority of Article 981 (o), paragraph (k), of the Civil Code of the Province of Quebec and by Order in Council No. 396 of the Province of Quebec; and will be investments in which Trustees in the Provinces of Ontario, Manitoba, Saskatchewan, Alberta and British Columbia may invest Trustee Funds, and will be investments in which the Canadian and British Insurance Companies Act states that companies registered under Part III thereof, may, without availing themselves of the provisions of sub-section (4) of Section 63 of the said Act, invest their funds.

Trustee: Administration and Trust Company

We, as agents, offer these debentures subject to prior sale, if, as and when issued by Crédit Foncier Franco-Canadien and subject to the approval of all legal details by our Counsel, Messrs. Geoffrion & Prud'homme, who are also Counsel for Crédit Foncier Franco-Canadien.

Prices:

5¼% Debentures ..... 100.00 to yield 5.25%
5% Debentures ..... 97.00 to yield about 5.52%
5¾% Debentures ..... 100.00 to yield 5.75%

plus accrued interest in each case

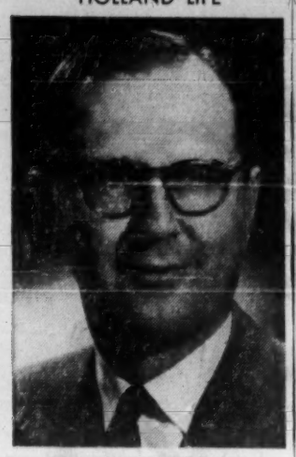
It is expected that definitive debentures in coupon and/or fully registered form will be available for delivery on or about October 17, 1960.

A circular will be forwarded promptly upon request

A. E. Ames & Co. Limited
L. G. Beaubien & Co. Limited
Geoffrion, Robert & Gélinas, Inc.
Brault & Chaput

ANNOUNCEMENT

HOLLAND LIFE



ROGER DeSERRES

Mr. J. C. Tupker, General Manager of Holland Life Insurance Society Ltd., announces the election of Mr. Roger DeSerres, B.Com., to the Company's Canadian Advisory Board. Mr. DeSerres is President of Omer DeSerres Ltée, Montreal, Director of the National Canadian Bank and Chairman of the Board of La Chambre de Commerce du District de Montréal.

Freight Rates Key to Dosco Montreal Mill

MONTREAL (Staff)—Freight rates are one reason why **Dominion Steel & Coal Corp.** includes an integrated steel mill at Montreal in its long-range plans (**FP**, Sept. 3).

This thinking was quite apparent in the brief submitted last week by Dosco to the Royal Commission on Transportation.

Industrial giant of the Maritimes, the company proposed freight rate parity with Hamilton, Ont., steel producers for its shipments from Sydney, using Montreal as the key point.

Differentials on billets, blooms and wire rods from Sydney to Montreal compared with Hamilton to Montreal are $4.41 in summer and $1.46 in winter, compared with $1.30 in 1927 when the Maritime Freight Rates Act became operative (**FP**, Sept. 17).

Dosco proposed the difference between what it pays now and what it would pay under a "selective rate" be met by the federal treasury.

It suggested the amount be covered by special legislation superimposed on the act to recompense carriers for their revenue requirements based on the existing "normal rate."

Beyond Montreal it suggested the differences be added to the Montreal base rate.

In the year ended July 31, 1959, 85% of all shipments from Dosco's Maritime plants were by rail, 13% by water and 2% by truck.

Dosco's transportation costs in respect to traffic originating in or destined to the Maritimes (exclusive of freight costs in delivered prices) were more than $16 million.

From Sydney alone, the fulcrum of the company's empire, outbound rail freight costs incurred by Dosco were $3.2 million — mostly on steel movement west of Levis, Que.

Of this amount $1.9 million, or nearly 60%, was absorbed by the company to meet competition of principal steel producers in Central Canada.

"If there was an integrated steel mill at Montreal, the absorption per ton of billets would be in the order of the cost of freighting from Sydney," the brief says.

"Rail costs on billets, blooms and wire rods from Sydney to Montreal is $8.96 a ton. If the outlet for these products in the Montreal market amounted to 200,000 tons a year, there would be a saving of almost $1.8 million."

Because of horizontal percentage rail rate increases on Sydney steel, Dosco found it advantageous to ship two cargoes by water to its Montreal Works in 1959. In the past it has been advantageous to ship by water as far as the lakehead.

However Dosco studies have shown that, while the St. Lawrence Seaway has lessened the impact of horizontal increases to some interior markets, the water escalator has aided steel importation at lower laid-down costs in vessels other than those of Canadian or Commonwealth registry.

Water transport between Atlantic Provinces' ports and Canadian ports on the Great Lakes-St. Lawrence waterway is not subject to regulations under the Transport Act.

Since this alternative means of moving goods from the Maritimes has been mentioned, Dosco told the Royal Commission it opposed any regulatory measure that would worsen its competitive position.

N.B. to Give Tougher Tests To Drivers

From Our Own Correspondent

SAINT JOHN — New Brunswick is going to toughen regulations for its drivers.

Reason:

A serious increase in deaths and property damage from motor vehicle accidents.

Example:

Number of children killed on provincial highways until the end of August in 1959 was 12. For 1960 the total jumped to 28.

To be put into effect:

- **A tougher examination** for license applicants.
- **A program of re-examining** present license holders.

Sixteen driver testing stations will be set up through the province.

Ultimately it is intended to re-examine drivers every five years.

From now on applicants for licenses will have to pass both written and road tests.

Registrar of Motor Vehicles, L. F. Hashey, says that drivers seldom fail examinations under the present New Brunswick set-up. In contrast, in some other provinces, failures on first application run as high as one third.

Moncton Gets New Shop Centre

From Our Own Correspondent

SAINT JOHN — A 21-store, $3-million shopping centre is planned for Moncton.

Trans-Canada Urban Development Corp. has obtained a west end site and incorporated **Moncton Shopping Centre Ltd.** A $1 million building permit has been issued for first-stage work at the 15-acre site at the corner of Main St. and Milner Rd. Work is due to start this fall with completion set for May, 1961.

Raytheon Canada Wins Order To Build Swiss Radar System

Raytheon Canada Ltd., Waterloo, Ont., has won a $1.4-million contract for two air traffic control systems to cover Switzerland's major air routes.

The firm has also sold a $500,000 long-range radar system to Lebanon.

The Canadian subsidiary, a spokesman said, got the Swiss order for two reasons.

- **It had the technical skill**, having developed the original equipment.
- **It could handle a small quantity** more economically than the parent.

The radars in the systems were designed and developed by Raytheon Canada for the Canadian Department of Transport for installation at 15 airports across Canada.

The U. S. parent firm, **Raytheon Co.**, Waltham, Mass., produced 41 of the radar sets for the Federal Aviation Agency's nationwide network.

The equipment purchased by **Radio Suisse S.A.** will serve control centres at Geneva-Cointrin Airport and Zurich-Kloten Airport.

Losses Rise, Seek Buyer For Prairie Fibreboard

From Our Own Correspondent

SASKATOON—**Prairie Fibreboard Ltd.**, the firm set up to manufacture softboard and hardboard varieties from either wood or straw, is having a tough time.

Directors have advised shareholders that the firm should be sold because it continues to operate at a loss.

The selling price, they say, will likely be "far below" the $1.50 par value of outstanding shares.

Shareholders have invested more than $4 million in the venture to date.

Directors said in their annual report:

"The operating funds have been depleted through losses to the point where we cannot continue to operate on our present basis.

"We have tried to find temporary financing, without success.

"The only course which appears logical is the sale of the assets and unissued shares. This must be done while we are still a going concern."

Company was set up three years ago (**FP**, Dec. 7, 1957), began its manufacturing operations early in 1958.

It reported an operating loss of $134,962 in 1958.

Last year, despite the beginning of production of hardboard along with softboard, the loss was $323,185.

The trend continued into 1960, despite the introduction of a new line of products that was hoped would bolster sales.

Use of straw in making the board was discontinued because of its cost.

The directors say that while it may be possible to break even with the present equipment, there is no possibility of a profitable operation without spending $750,000 for additional equipment.

"While it may be possible to borrow this, we are of the opinion that the profitable operation we would realize would not represent a fair return to the shareholders," the annual report said.

L. N. Greer, president of Prairie Fibreboard Ltd., said several companies have been contacted to see if they were interested in buying the firm.

He pointed out that production is continuing and he does not anticipate a shutdown, even if the plant is sold.

Vice-president is D. M. Milne, secretary-treasurer is J. W. Gibson.

Directors are J. Rugg, L. M. Tweed, M. Bodson and C. Gavel.

Allied Securities Ltd. completed sale of the treasury stock in June and relinquished its seat on the directorate.

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VANCOUVER
Vancouver Hotel (Tel.: MU. 4-3131) 10th-15th October

HAMILTON
Royal Connaught Hotel (Tel.: JA. 7-5071) 17th & 18th October

TORONTO
Royal York Hotel (Tel.: EM. 8-2511) 20th-28th October

KINGSTON
La Salle Hotel (Tel.: LI. 8-3361) 31st October & 1st November

OTTAWA
Chateau Laurier (Tel.: CE. 2-6411) 3rd-12th November

MONTREAL
Windsor Hotel (Tel.: UN. 6-9611) 15th-19th November

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FOR SALE: A beautiful, well-appointed executive home commanding one of the most scenic views in the area is now offered at a very attractive price and terms.

LOCATION: British Properties overlooking Lions Gate Bridge and inner Vancouver harbour, 6 miles from the city centre.

HOME: Modern ranch style with 3,000 sq. ft. on main floor consisting of 21 x 27 living-room finished in Indian Laurel, Walnut, Zebra Wood, Madagascar Ebony; dining-room; 3 bedrooms including one with private living-room which could be used as a fourth bedroom; spacious kitchen finished in Bird's Eye Maple with nook and laundry room adjoining; 2 bathrooms; washroom; shower. Home is generously finished with Mahogany, Primovera, Maple, Walnut, Yellow Cedar and Birch. Five exterior doors finished in Baldayo Wood; private tiled patio.

LOWER FLOOR: 1,750 sq. ft. Mahogany panelled 26 x 30 recreation room with tiled floor (billiard table available); walk-in freezer, washroom, service room, work room, storage room.

CONSTRUCTION and APPOINTMENTS: Thermopane glass throughout; fully insulated; closets lined with Tennessee Cedar; automatic (radiant) oil heat; 4 telephone outlets; one driveway which can be heated for snow removal; separate air conditioning unit; two double garages with electric door openers; heated greenhouse. Home is situated on ½ acre lot beautifully landscaped with flower beds, rockeries, shrubs and trees at a cost of $8,760.

INCLUDED WITH HOME: Electric range: two Frigidaires; washer; dryer; drapes; wall to wall carpets throughout main floor; 4 doors with mirrors both sides; venetian blinds; 4 teakwood copper wire screen doors; 3 sun umbrellas.

SALE PRICE: $75,000. Terms: $30,000 cash, balance by agreement at 5%. Apply to owner E. D. Allan, 830 King Georges Way, West Vancouver, B.C. WAlnut 2-4731. Inquiries from agents invited.

Company Reports

Manufacturing

NIAGARA WIRE WEAVING CO., Niagara Falls, Ont., consolidated net profit for the year ended March 31, 1960, was $552,024, down 3.7% from previous fiscal year's $573,400.

The profit reduction, President Edward J. Buell says, was caused by a small drop in investment income and a loss in the first few months of partial operation of **Southern Wires Inc.**, Quincy, Fla. This subsidiary is now serving a market which the parent company was not able to reach, in the southern U.S. It produces wires and wire cloth for the paper industry.

Investment in Southern Wires was financed largely by a reduction in inventories and sale of a portion of the parent's security holdings. This investment is reflected in the increase in value of fixed assets to $1,459,454, more than double the $726,959 of the previous fiscal year.

CONSOL. INCOME ACCOUNT

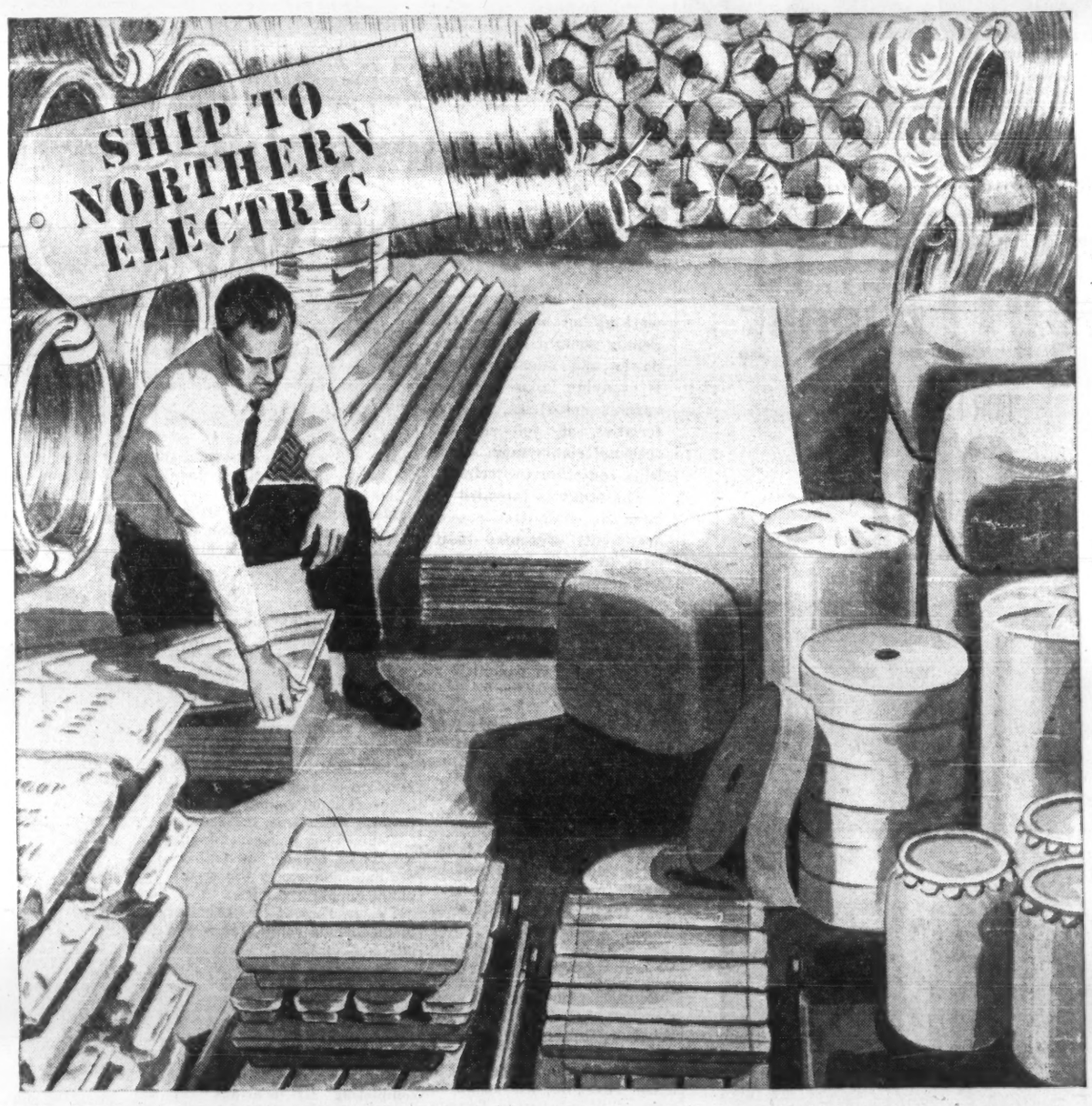
Years Ended Mar. 31:	1960	1959
Net earnings	$1,227,248	$1,157,696
Less: Deprec.	149,147	102,596
Income taxes	526,077	481,700
Net profit	552,024	573,400
Less: Com. divds.	93,600	*87,750
Class B divds.*	264,800	248,250
Surplus for year	193,624	237,400

*Not including divds. on shs. owned by subsid.

Earnings per Share and Dividend Record:		
Com. & Cl. B: Earn.	$1.18	$1.23
Paid	0.60 + 0.20	0.60 + 0.15
Shares o/s as at Mar. 31:		
Class B, n.p.v.	351,000	351,000
Common, n.p.v.	117,000	117,000

CONDENSED CONS. BALANCE SHEET

As at Mar. 31:	1960	1959
Cash	$381,858	$337,562
Mkt. secs., at cost	2,250,055	2,589,882
Less: Acc. profits	289,275	205,573
Accts. rec.	366,771	360,414
Inventories	1,285,148	1,596,191
Total curr. assets	4,194,557	4,678,476
Life insur., c.s.v.	141,491	127,199
Misc. assets	107,641	37,362
Shs owned by subsid.	156,426	156,426
Fixed assets†	1,459,454	726,959
Patents	11,395	5,091
Total assets	6,070,964	5,741,513
Accts. & tax pay.	548,073	407,924
Other curr. liab.	118,342	122,664
Total curr. liab.	666,415	530,588
Invest. res.	258,000	258,000
Capital stock	399,249	399,249
Contrib. surplus	425,051	425,051
Earned surplus	4,322,249	4,128,625
‡Mkt. value	2,582,650	2,108,000
†After deprec. of	1,520,203	1,433,551
Working capital	3,528,142	4,147,888



BUYING CANADIAN Northern's "supplier team" works in many cities across Canada. It includes giant industries and many small businesses. Whatever their size, Northern Electric counts heavily on their specialized help. From some come raw materials... from some, component parts... and from others, finished products.

Northern Electric spends many millions of dollars each year with these suppliers. This money meets payrolls and taxes in hundreds of communities. Besides, many of our suppliers gain new "know-how" from expert Northern Electric technical advice.

Northern Electric designs, manufactures and installs a large proportion of Canada's telephone communication systems and equipment. Northern's experience is all-embracing. It includes the manufacture of electrical wires and cables for communications and power transmission, and the distribution of a complete line of electrical apparatus and supplies. At Northern Electric, product research and development never stops and advances are continually being made.

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ANNOUNCEMENT

DOMINION TAR APPOINTMENTS

H. R. STENSON E. A. THOMPSON

W. N. Hall, President of Dominion Tar & Chemical Company, Limited, announces the appointment of H. R. Stenson as Vice-President and General Manager of Canada Creosoting Company, Limited. Mr. Stenson was formerly Vice-President and General Manager of No-Co-Roda Company Limited, a Dominion Tar subsidiary. E. A. Thompson, formerly Vice-President and General Manager of Canada Creosoting Company, Limited, is appointed Vice-President and General Manager of Siporex Limited, manufacturers of lightweight cellular concrete products.

Dudas & Coo Designs Safes

Dudas & Coo, Toronto industrial design firm, claims a Canadian first:

The design for appearance of a built-in wall safe and a vault door for **Chubb Safe Co.,** Toronto.

"As far as we know this is the first instance where Canadian industrial designers were involved in the design of security equipment," says Frank Dudas.

Aim was to give the security equipment a design that would conform with today's architecture, that would have a solid and safe look, and that would not become obsolescent rapidly.

ANNOUNCEMENT

JOHNSON & JOHNSON EXECUTIVE CHANGES

JOHN MACDONALD WM. G. BRAYLEY

The election is announced of Mr. John Macdonald as Chairman of the Board of Directors of Johnson & Johnson Limited and its subsidiary companies.

Mr. William G. Brayley has been elected President, succeeding Mr Macdonald. Mr. Brayley was formerly Executive Vice-President of Personal Products Limited.

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YOUR TAXES

An exclusive FP column of comment on the trends in personal and business taxation

Tax Dispute on 'Tied House' First of Many More Ahead?

By JOHN G. McDONALD, LL.M.
McCarthy & McCarthy, Toronto

THE TAX APPEAL Board covered new ground last week in the case of **Galipean vs. Minister of National Revenue.**

This is the first of an inevitable series of disputes over "tied-house" payments.

Taxpayer Galipean borrowed $49,600 in 1956 from **Imperial Oil Ltd.** "for the construction and fitting up of a new garage and service station".

Imperial agreed to remit part of the loan at the rate of $275.56 a month in consideration of Galipean's covenant —binding upon himself, his family and his legal representatives—to sell Esso products exclusively.

The monthly credits against the loan were not dependent upon the quantity of petroleum sold.

The case is thus similar to the English tied-house cases in which brewers have made grants to publicans to secure regular outlets for beer. Oil companies have adopted a similar policy to line the highways with an assured number of well-maintained establishments handling their products.

There are two sides to the issue:

- **Is the oil company entitled** to deduct the payments? and
- **Is the amount received taxable** as income to the garage owner?

The Galipean case dealt with the second question by holding that the benefit was taxable as business income.

The Board's reasoning was based upon the rule in **Oxford Motors Ltd. vs. Minister of National Revenue** that the amount of a cancelled debt is taxable if the debt arose in the course of normal trading.

In the Oxford Motors case the taxpayer enjoyed a price rebate of $250 for each automobile sold over a prescribed period, and the total amount rebated by the partial abatement of the taxpayer's indebtedness to the automobile manufacturer was held to be income.

In the Galipean case, however, the indebtedness in question was not a "trade debt" in the Oxford Motors sense, but a capital debt referable to the taxpayer's whole establishment.

Its abatement, therefore, could not be related to current trading operations, and for this reason we think that the Board was wrong in treating Galipean as a trade debtor.

U. K. Tax Cases Not Considered

The Board's judgment in the Galipean case indicates that no consideration was given to the U. K. rules under which similar benefits have been held to be non-taxable.

For example, in **I.R.C. vs. Achilles Motor Co.,** a garage proprietor had received subsidy payments from **Esso Petroleum Co.,** (Imperial Oil's U. K. affiliate) to enable him to enlarge his gas station—all in consideration of his agreement to sell Esso products exclusively for a period of 10 years.

The Scottish Court of Session held that the sums received were capital — and therefore not taxable — because they were the price of a capital asset in the form of the taxpayer's "unrestricted freedom to trade as he wishes" (FP, July 11, 1959). A similar case is **C.I.R. vs. Coia.**

Because the U. K. law on this subject is substantially the same as ours in Canada, we would have expected the Tax Appeal Board to follow the Achilles Motor case and allow Galipean's appeal.

No Cases Here Yet On Oil Firm's Status

As yet there is no Canadian tax case dealing with the question whether tied-house payments by an oil company are deductible for tax purposes, but here again we have a British precedent to follow.

In **Bolam vs. Regent Oil Co.,** the English High Court held that such payments were deductible as outlays "for the purposes of the company's trade".

In Canada, an outlay or expense is not deductible unless it is made or incurred "for the purpose of gaining or producing income" from a taxpayer's business. We can think of no other purpose for a tied-house payment.

We therefore expect that Canadian courts will follow the English rule on the deduction side of the problem.

In the meantime, Canadian oil station owners, including Mr. Galipean, have a battle on their hands with the Department of National Revenue. The department is always reluctant to treat as "capital" an amount received from someone who is entitled to deduct it for his own tax purposes.

Our treatment of the Galipean receipts would have been to reduce Mr. Galipean's "capital cost" for depreciation purposes by an amount equal to the subsidy received from Imperial Oil.

This action would preserve the Revenue interest adequately over the term of the tied-house agreement.

The department must learn to be satisfied with its share of the eggs, and stop going after the chicken as well.

Employment Study Expected by Nov. 1

A staff of researchers, working on behalf of the Senate committee on manpower and unemployment, is studying labor needs in various industries, characteristics of job-seekers, seasonal employment problems and other projects.

The study is intended to help the committee assess arguments presented to it later by trade associations and other organizations.

OTTAWA (Staff)—A special Senate committee on manpower and unemployment in Canada expects to have a comprehensive picture of the situation by about Nov. 1.

Prof. John Deutsch and a staff of two, plus others assigned specific outside projects, are gathering the material.

The committee wants to have some basis for judging the validity of arguments expected to be made before it during the next session of Parliament by various trade associations, business organizations and other interested parties.

If there is a fall session, the committee seems to feel it won't come much before November.

Deutsch, who is a vice-principal of Queen's University, Kingston, Ont., has as full-time staff:

- **Frank Denton,** former statistician with DBS, who has been working in industry in Toronto for about a year.
- **Dr. Warren James,** a statistician on loan to the committee from the office of the deputy minister of defence.

Denton is carrying out a detailed analysis of the characteristics of the labor force between 1950 and 1960.

He is trying to assess what ...een happening to personnel ...ds in different industries and the ...ind of people most affected by the changes.

James is making a survey of job-seekers registered at local offices of the National Employment Service.

He is sampling about 10% of unplaced job applicants to get a clearer picture of the kind of people they are — their age, sex, education, training, marital status, family traits, movements.

Other projects have been assigned to outside researchers:

- **W. C. Hood,** professor of political economy at the University of Toronto.

He's doing an analysis of structural unemployment, seeking to pinpoint shifts in demand for labor, apart from seasonal shifts.

Examples of such employment trends are the decline in demand for textile workers, coal miners in the Maritimes, diesel firemen on the railways.

- **Mrs. Bernard (Sylvia) Ostrey,** assistant professor of economics at McGill University, Montreal.

She's been assigned a "conceptual study" of unemployment — how to define it.

For example, some people don't work because they don't want to — should they be classified as unemployed? Certain seasonal workers raise similar questions.

- **The Labor Department** is preparing studies on: seasonal unemployment; automation's effects on employment; the state of vocational and technical training in Canada.

Deutsch is master-minding the whole project and will coordinate and assess the results of the separate studies.

The result will be presented to the Senate committee at the next session.

From the findings of the Deutsch-directed studies, the committee will try to judge all its evidence against the over-all economic, employment and manpower picture.

The committee will aim at completing its hearings and writing its final report by the end of the next session of Parliament — in case a new election is then called.

Brazilian Traction Sales Increase

Brazilian Traction, Light & Power Co., Toronto, reports that demand for its services rose during the first half of this year.

Its operating companies (in Brazil) had the following combined results in the six months ended June 30, 1960:

- **Electric power** sales rose 9% to 4,472 million kwh (4,101 million kwh in the six months ended June 30, 1959).
- **Gas sales** rose 5.8% to 5,692,381 mcf (5,378,818 mcf).
- **Revenue passengers** carried on tramways totaled 163,433,157 (no comparable figure given for 1959).
- **Telephones** in service at June 30 totaled 771,737, up 28,465 from a year earlier.

"What have you got against chickens?"

A neighbor joshed Cliff Fletcher with this remark. He was talking about the amazingly versatile stock-raising capabilities of this successful Alberta farmer.

"You name it, Cliff breeds it," people say.

Cliff presides over a snorting, barking, baaing, grunting, neighing empire covering 3,400 acres of eastern Alberta . . . Holsteins, Herefords, Percheron horses, Cheviot sheep, goats, ducks, geese, turkeys, terriers, and wolfhounds. (Actually Cliff Fletcher has nothing against chickens, he'll be adding them to his stock soon!)

The breeding and marketing of this animal league of nations calls for wide experience plus the application of modern stock-raising techniques.

To keep up with new developments in his profession, Cliff Fletcher relies on one source in particular . . . the reports of The Country Guide, Canada's most authoritative farm magazine.

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This is the type of flexibility that will answer the many and varied problems confronting airline operators who, because of the growing demands of shippers, are being forced to provide a combination of short, medium and long range air cargo services for the carriage of freight at attractive and competitive tariffs. In this situation, the Canadair Forty Four offers excellent economy and earning ability over the complete range of route structures that must be provided in the collection and distribution of air cargo.

Practical applications of this are found in the short route cargo services that are necessary in the supply and distribution of goods to or from the terminal points of trans-continental and trans-Atlantic services. This is evident between the major cities of the Eastern United States and between the principal points of Europe. These inter-city runs are essential extensions to the long haul trunk service, and with the Forty Four can be handled without a change of aircraft.

The need for this system of short, medium or long range operations will develop through the growing awareness among business establishments that the carriage of articles by air is becoming an essential element in the overall marketing function. This will open up new markets, new transportation requirements, new inter-city services. The Forty Four, with its flexibility of performance, can carry cargo at a profit over the whole distance spectrum—short, medium and long range, and has the airfield performance characteristics to get in and out of 85% of the world's major airports. THESE ARE DECISIVE ADVANTAGES IN FAVOR OF THE FORTY FOUR.

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Wesley B. Hadden *Manager*

UNA Launches Luncheon Series

Top officials among the United Nations secretariat will be among the guest speakers in a special program arranged for this fall and winter by the United Nations Association of Canada.

In the first venture of its kind, the luncheon meetings will be by subscription only — $25 for six meetings.

L. B. Pearson, as Canadian past president of the U.N. General Assembly, will open the series Sept. 23, speaking on "Canada's Stake in the U.N."

Other dates and speakers:

- **Nov. 23** — Sir Leslie Munro on National Sovereignty in Age of Outer Space.
- **Jan. 25**—Dr. H. A. Weischhoff, on Africa and the United Nations.
- **Feb. 15** — William Epstein on Disarmament.
- **March 15** — Cass Canfield on The World Population Explosion.
- **April 12** — C. S. A. Ritchie, head of Canada's permanent mission to the U.N., on Canada's Voice in the United Nations.

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Chances Good For Motels In Jamaica

Want to find a warm, sunny spot to run a motel?

"Try Jamaica," says Mrs. Wally Butz, a member of the Jamaica Tourist Board, vice-president of the Jamaica Hotel Association and owner of the **Liguanea Terrace Hotel** in Kingston.

"There are big investment opportunities in medium-priced accommodation," she said.

Now visiting Toronto, Mrs. Butz told FP:

"We have lots of big luxury resorts, a number of them built with Canadian capital.

"But now we need more motels for the growing number of motor-touring visitors. And we need more of the less fancy hotels for the expected big influx of middle-income tourists.

"The jet age — which means bigger planes with more economy-class seats, will make a big difference to Jamaica. The island no longer attracts just the 'chic' set."

Jamaica offers attractive tax and import concessions for foreign investment in tourist accommodation.

N.B. Sportsmen To Hunt Moose

From Our Own Correspondent

SAINT JOHN — New Brunswick is to have its first moose hunting season since 1936. Outside hunters need not apply.

The announcement set off a scramble among sportsmen for licenses. Some 400 applicants will be chosen by lot from those who are filing requests for permission to shoot.

Season will be five days—Nov. 28 to Dec. 2. Fee will be $15.

Travel Tips

NIAGARA PARKS COMMISSION is developing a 3,000 ft. strip of Lake Ontario beach near St. Catharines, Ont., for public use. The land, once privately owned, was taken over by the government when the four-lane Queen Elizabeth Highway was put through. The commission will establish changing huts, parking lots and maintain the beach. It is to be ready next summer.

* * *

TORONTO'S FALL TRAVEL SHOW season starts next week. The first time the city has had a show devoted entirely to travel, it will have two (not three as originally planned) running concurrently. They are: **Globe and Mail** with ASTA, Sept. 26 to Oct. 1 in the new Arcade Building, Yonge St. and International Travel Show, Sept. 29 to Oct. 1 at the Palace Pier, Lake Shore Rd. A third, Canadian International Travel Show, organized by **Travelage International Ltd.** and scheduled for Oct. 6-12 at the Queen Elizabeth Building, Exhibition Park, has been "postponed until spring", a company spokesman told FP.

* * *

BULLS, FAIRS, PARADES, will provide many red letter days in Portugal this autumn. Highlights will be Vila Franca de Xira annual fair (Oct. 2-8) featuring bull-catching in the streets, bull fights (the bull doesn't get killed), fireworks and parades; Our Lady of Pity annual fair at Santarem (Oct. 9-23); Festival of St. Ira, featuring "The Fair of the Dried Raisins" at Tomar (Oct. 19-21); Fair of St. Martin, at Galega (Nov. 10 - 25) with horse show, folk dancing and more bullfights. Outstanding fall religious event: Pilgrimage to the world-famous Shrine of Our Lady of Fatima (Oct. 12-13).

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POST TRAVEL BUREAU

Where to go—how to go—where to stay

BANK? No — it's the Autovo subway station, last stop on Leningrad's new 10-station line.

Photos by Vincent Egan

OIL TANKER? No — it's a mobile refreshment stand, selling a drink called "kvas".

A Canadian's Notebook On a Soviet Vacation

By VINCENT EGAN

The Comet 4B taxied up to Moscow International Airport's terminal. Aboard came an officer in the khaki tunic and blue trousers of the Soviet Army. Before each passenger set foot on Russian tarmac, his passport and visa were carefully perused.

The beginning of a coldly efficient system of surveillance, the tourist thinks to himself.

But he's wrong. The cold efficiency breaks down a moment later in the customs-and-immigration room at the terminal. There, all is milling confusion.

Somehow, you discover the escape method—fill out a form about your abundance of money and your lack of opium, join a slow, ragged line to have it stamped by a harried youth, claim your bags with much pointing and head shaking, join another milling throng to reclaim your passport, and finally you're on your own in the U.S.S.R.

At your hotel, the confusion is likely to be repeated as you establish your identity, register, change money and arrange outings through the Intourist service bureau in the lobby.

It's easy to blame it all on a sinister system, or on a paper-shuffling bureaucracy, depending upon the attitude and preconceptions you bring with you to the U.S.S.R.

* * *

But the real reason seems to be that the Soviets just haven't acquired the experience needed to cope with a rapidly increasing flow of Western tourists.

Only during the past five or six years has there been any tourist travel at all. In most of the places I visited during two and a half weeks spent touring the U.S.S.R. this summer, it appeared that Intourist (the state travel organization) was still groping — but that a few years from now the pioneering phase will be just a memory.

The lack of organization is most pronounced in places like Stalingrad and Rostov-on-Don, which have seen relatively few tourists from the West (for the excellent reason that they have as little to offer the tourist as industrial cities anywhere).

On the other hand, Intourist operations couldn't be smoother in places like Leningrad, long a favorite city of visitors from Scandinavia and elsewhere in Europe, and the lovely Black Sea resort of Sochi, which lives for the tourist trade as surely as does Cannes or Capri.

* * *

"Was it expensive?"

That's the question put most frequently to the tourist returned from the U.S.S.R.

It is almost impossible to answer, unless the tourist happens to be a cost accountant.

The first difficulty is that the visitor must pay for his hotels, meals and travel to and within the U.S.S.R. before he leaves home. In my case, air fare from London at an excursion rate was included in the package, which seems to have had a price tag of about $650 for 18 days. (Transatlantic fare was extra.)

The second difficulty is that your spending money in the U.S.S.R. may be bought at the official rate of 10 rubles to the dollar, or on the illegal but fairly open black market.

In Moscow, you can't go far on Red Square, Revolution Square or Gorky St. without being approached by one of the "stilyagi." These are young men, well dressed in the North American style, who begin by asking if you are an American and soon get down to offers to buy your shoes, shirts, suit, raincoat or — especially — your dollars.

Initial bid is usually 20 rubles to the dollar — twice the official tourist rate. Before long, the bid is up to 35. I heard of one intrepid American haggler who was eventually offered 45.

While the bidding may go on almost under the nose of the nearest policeman, transactions are said to take place only in the back seat of a moving taxi.

* * *

Spending your rubles — whether the dear or cheap kind — can be a problem. All of your essential expenses are prepaid, and tickets for the ballet or the opera in Moscow and Leningrad are often sold out well in advance.

Shopping is hardly inspiring. You might acquire some items of jewelry, silverware or lacquerware, if gifts must be taken home.

That leaves dining out as the last remaining outlet, if you have to reduce your cash position. Soviet cuisine is not quite up to Parisian standards, of course, but neither is it as depressing as most travel writers have made it seem.

The Praga is reputed to be Moscow's best restaurant. Like nearly every dining room that one sees, it is big, high-ceilinged, brightly lit, starkly undecorated.

Our party of four had such things as smoked salmon, caviar on excellent black bread, crabs Julienne, vodka and champagne. The check — after Comrade Boris, the waiter, had been persuaded to de-pad it — was just over 160 rubles, or $16 at the official rate of exchange.

Service was reasonably prompt, despite the travel books' warning that it would be funereal. Over our shoulders, a nine-piece dance band played capably, their varied repertoire including old Glenn Miller tunes as well as the kind of melody usually used as background music by Ed Sullivan's jugglers and acrobats.

* * *

Traveling from place to place in the U.S.S.R. is painless and usually pleasant, thanks to the state airline, **Aeroflot.** Three of my flights were in the high-flying pure jet Tu-104, one in a big, sleek turboprop, and two in small Ilyushins resembling the DC-3.

All my reading had led me to expect that the planes would take off without benefit of warm-up, that the interiors would be decorated like nineteenth-century parlor cars, and that seat belts would be missing.

In fact, the planes did warm up, interiors were modern, and only the smallest and oldest plane lacked seat belts.

But all lacked air conditioning. There's no easier way to catch cold on a sweltering summer day than to board a stuffy airplane, then within minutes to find yourself shivering at 35,000 ft.

Only on the Moscow-London flight were meals served. But on most domestic flights, passengers could buy tea and biscuits.

* * *

Contrasting with the Aeroflot service is the leisurely pace of the steamer which makes the two-day trip down the Volga-Don river and canal system from Stalingrad to Rostov-on-Don.

This is no luxury cruise, even in the best accommodation on the ship, but it provides a unique close-up of rural life in the several villages at which the ship stops, and a chance to observe and perhaps chat with traveling Russians.

One other discovery:

Dominoes seems to be the favorite game of inland mariners in the U.S.S.R. Technique is to slam each domino vigorously on to the table. Every meal in the tiny dining salon was accompanied by the heavy slap-slap-slap of dominoes by off-duty sailors on the deck just outside.

* * *

The major cities in the U.S.S.R. have been largely rebuilt since the war, with most buildings following an architectural style dubbed "Stalin modern."

All too often, the result is dreary and monotonous. But in Kiev, capital of the Ukraine and third largest city in the U.S.S.R., architects managed to achieve a certain charm even while embodying the combination of Greek simplicity and Victorian gingerbread that Stalin apparently favored.

Because of this, and because of its ancient monasteries and cathedrals and its many well-kept parks, Kiev has a strong appeal to the eye of the tourist.

Leningrad, second largest city, is more attractive if you come upon it after visiting other cities of the U.S.S.R. than if you visit it first. Its appearance is decidedly more western; the broad, busy and handsome Nevsky Prospect might remind you of one of the boulevards of Paris or Barcelona.

Leningrad is proud of its new (1958) subway, which is built astonishingly deep — far deeper, it seemed to me, than even the London Underground at its deepest.

In comparison with some of the Moscow Metro's lavish stations (which are as ornate as the chateaux of the Loire), the decor of some of the Leningrad subway stations seemed restrained.

But by any other standards of comparison, they are staggeringly palatial.

Ask a Russian why so much expense should go into the building of a subway station when there remains much room for improvement in housing standards, and he will explain that it is because the subway is used daily by large numbers of people.

This philosophy is reflected by several other aspects of urban life. Parks are numerous, well maintained and widely used; main streets are broad and clean; military bands give frequent performances in convenient places.

* * *

If you're looking only for fun and relaxation on your holiday, the Soviet Union is hardly the best place to go — unless, perhaps, you concentrate on the Black Sea resorts.

Nor are you likely to become an expert on Soviet affairs by traveling for two or three weeks with an Intourist-conducted group.

But the visitor who has the normal curiosity about a relatively unknown country will never be bored.

From the crowded museums of the Kremlin and the Hermitage, to the tiny crossroads villages, there is always some new sight or experience to maintain the visitor's interest.

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Vernon G. Cardy, President

Lake Superior Park Attracts Visitors to Northwest Ontario

Lake Superior Provincial Park, now accessible from Sault Ste. Marie via the new section of Trans-Canada Highway is one of the big attractions expected to lure motorists to the province's northwest.

A recent report on the park, prepared for the **Quetico Foundation,** shows that this is one of the finest natural playgrounds on the continent.

The 504 sq. mi. park straddling the new highway contains 1,090 lakes and ponds and a big variety of wildlife.

It boasts dozens of beaches and natural yacht harbors along the 120 mi. Lake Superior coastline.

And for the amateur historian there are ancient Indian rock paintings.

Winter sports are still limited, although one snowshoe club maintains a trail accessible via the **Algoma Central Railway.** Possibilities of developing ski trails and jumps are being studied.

Campsites are being constructed and portages are being cleared and marked by the Parks Division of the Department of Lands and Forests.

Further research in the fields of conservation and recreation will be undertaken by the Quetico Foundation.

SAFARI OUTFITTERS are as busy as ever in East Africa (Kenya, Uganda, Tanganyika and Zanzibar), despite troubles in the Congo, according to D. O. Mathews, General Manager, East Africa Tourist Travel Association.

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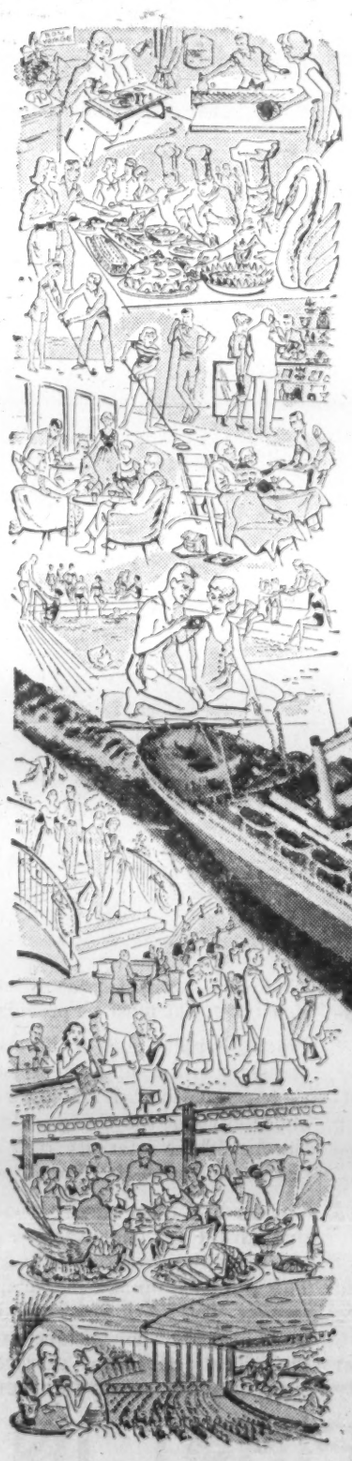

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Your day at sea starts with a full course breakfast (in bed if you wish). Then morning bouillon on deck, luncheon, afternoon tea, a gourmet dinner served in the Continental manner, topped off by a lavish midnight buffet. All this—plus current movies, a library stocked with the latest books, informal dances and concerts, gay, impromptu entertainment, card and deck tournaments, swimming in indoor or outdoor tiled pools, exercise in well-equipped gymnasiums—all included in your passage ticket at no extra charge.

Your menu may include caviar, filet mignon, lobster, crepes suzette and other delicacies prepared by master chefs. Your stateroom or suite has its own bath or shower, telephone, individually controlled air-conditioning. A catering staff, fluent in several languages, includes room stewards and stewardesses always at your service—doing the minor chores that make a crossing carefree—keeping your quarters immaculately clean—helping with your unpacking and packing (and there is virtually no luggage limit when you travel by ship).

Tax and duty-free shopping is a favorite pastime on Holland-America ships. There are name watches, cameras and perfumes, exquisite jewelry, Danish porcelain, Dutch objets d'art, and hundreds of fascinating gift items.

Delightful incidentals: Your ship is a virtual vacation city of the sea—automatically stabilized, 100% air-conditioned—with ship-to-shore telephone, daily newspaper, steam rooms, Turkish bath, service shops . . . every device for your security and comfort.

Other services to Southampton, Le Havre and Rotterdam: Monthly from New York on the predominantly Tourist Class liner MAASDAM (calling also at Cobh, Ireland); monthly from Montreal and Quebec on her sister ship, the popular RYNDAM. Every other Saturday from New York direct to Rotterdam by the one-class motor twins WESTERDAM or NOORDAM.

10% discount on round-trip fares during thrift season: Effective until April 15 Eastbound; June 21 Westbound.

*Sailings:
STATENDAM Dec. 9 (Christmas Sailing);
ROTTERDAM Nov. 10;
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"It's good to be on a well-run ship"

Six pre-season Fall cruises:
NIEUW AMSTERDAM and STATENDAM 4½ to 15-day cruises to the West Indies from Oct. 7 to Dec. 2, 1960.
Seventeen Winter-Spring cruises:
ROTTERDAM 77-day cruise Around-the World Jan. 28, 1961; STATENDAM 39-day cruise to the Mediterranean and the Holy Land Mar. 15, 1961; ROTTERDAM, NIEUW AMSTERDAM, STATENDAM, MAASDAM 7 to 16-day cruises to the West Indies and South America from Dec. 16, 1960 to Apr. 14, 1961

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Fringes Take 22.2% Bite Out of Payroll

Fringe benefits paid by Canadian companies—benefits provided in addition to wages and salaries — have increased from 19.4% of payroll in 1957 to 22.2% in 1960.

That amounts to a dollar increase from $846 to $1,068 per employee.

The bite of the fringe benefit is big — and it's growing bigger.

That is a pattern traced in a new study of 100 Canadian companies in the manufacturing, utility, transportation, trade and finance fields.

Carried out by **Industries Relations Counselors Service Inc.** of Toronto, the survey shows:

- **Average total outlay** for fringe benefits to employees in 1959 was 22.2% of payroll.

That works out to $1,036 per employee.

- **Comparing 83 identical firms** reporting in both 1957 and 1959 surveys, the study indicates a percentage-of-payroll rise from 19.4% to 22.7%.

That's a dollar increase from $846 to $1,068 per employee.

The study notes the varying opinions on what constitutes a fringe benefit.

Its own definition:

"Fringe benefits may be generally considered as those benefits provided by a company in addition to wages and salaries."

Payments required by law, pay for time not worked, non-cash benefits are included. But profit-sharing and overtime and premium pay are treated separately.

Here's a quick summary of study findings:

▸ **Four major types of benefit** — vacations, holidays, pensions and welfare plans — were paid by virtually all companies.

Paid rest periods and coffee breaks were reported by 70 firms, pay for bereavement, militia or jury duty by 68 companies.

Although unemployment insurance and workmen's compensation payments are required by law, not all respondents reported such outlays.

▸ **Average outlays for fringes by industry type** ranged from 16.5% of payroll in textile mill products to 26.6% in food-beverages-tobacco.

There is plenty of variation in costs among firms within the same industry.

▸ **On a total cost basis**, the most expensive fringes were vacations and pensions.

Vacation pay averaged 4.1% of payroll, pension plans 3.6%, rest periods and coffee breaks 3.3%, paid holidays 2.6% and welfare 2.1%.

▸ **As in previous study**, the 1959 report shows no clear relationship between fringe costs and size of company.

▸ **Comparison of the Canadian study** with that of U. S. Chamber of Commerce, shows no major difference of pattern between the two countries.

Analysts who made the Canadian study believe there has been little recent change in the types of fringe benefits paid. However, costs have increased.

More companies report coffee breaks, rest periods, bereavement, jury and militia pay in the new survey. But this is attributed to an "increasing cost consciousness" in business.

Responding firms reported profit sharing, saving and thrift plans less frequently than any other type of fringe or supplementary payment.

Of the 99 companies with pension plans, 86 had contributory and 13 non-contributory plans.

All companies had some kind of welfare plan. Of the 100 respondents, 94 plans were on a contributory basis and 95 had what the study terms "rather comprehensive" plans.

Of the latter, four offered group life, hospitalization, surgical, medical care benefits; 66 offered the same plus sick pay; 20 others had these plus industrial injury benefits; and five firms offered most of these benefits combined in a major medical expense plan.

An average paid vacation of two weeks appears the rule among the study companies. But most of the firms go well beyond minimum legal requirements covering vacations with pay (in force in eight provinces and for work within federal jurisdiction).

A wide variety of items crop up under the "non-cash benefits" heading.

These include free meals, subsidization of cafeterias and boarding houses, free lodging or housing, expenses on recreational programs.

Although many companies reported non-cash benefits, the total cost was only 1% of payroll or $47 per employee.

On a total outlay basis, the manufacturing group of companies paid 22.8% of payroll in fringes compared with 20.5% by non-manufacturing firms, or $1,077 per employee against $897.

Six profit-sharing plans were reported in the survey. Outlays ranged from 1.6% of payroll ($87 per employee) to 34.7% ($1,130).

Premium pay outlays — like profit sharing, not included in tabulation of the study's findings —were significant mainly in the manufacturing group.

As in previous studies, premium pay for overtime was the major component in these outlays. It averaged 2.3% of payroll or $113 per employee in manufacturing industries and 3.4% ($160) in public utilities.

Total pay-out for premiums averaged 4.8% or $225 in manufacturing.

The total of premium pay plus fringe benefits averaged 27.6% of payroll for manufacturing companies. Per employee outlay for these supplements plus fringes works out to $1,302.

In the study, 83 companies are used for comparison of 1957 and 1959 results.

Total fringe benefit outlays averaged 19.4% of payroll in 1957, rose 3.3% to 22.7% last year.

Other changes:

Paid time-off rose 3.3% to last year's 10.9%, legally required payments were up 0.1% to 2.6%, pension and welfare payments dropped 0.3% to 6.9%.

All other fringe payments were up 0.2% to 2.3%.

Fringes by Industry

	No. Companies	No. Employees	Total Fringe Costs % of Payroll	Total Fringe Costs $ Per Employee
All companies	100	490,967	22.2	1,036
Manufacturing	73	189,233	22.8	1,077
Food, bev., tobacco	10	10,343	26.6	1,239
Textile mill prod.	6	4,599	16.5	578
Paper	9	14,299	17.6	831
Chemicals	10	19,818	23.0	1,029
Petroleum	9	29,634	24.9	1,425
Iron & steel	20	90,655	20.2	927
Miscellaneous	9	19,885	22.1	1,097
Non-manufacturing	27	301,734	20.5	897
Public utilities	8	68,361	23.6	1,077
Transportation	5	197,168	18.0	840
Trade	5	26,008	17.2	583
Finance, insurance	6	4,535	20.6	817
Miscellaneous	3	5,662	17.4	656

Source: IRCS, Fringe Benefit Costs in Canada, 1959.

Percent of Payroll

	Fringe Costs as % of Payroll — All Companies	Manufacturing	Non Manufacturing
Paid time off	10.6	10.5	10.9
Vacation	4.1	4.0	4.2
Holidays	2.6	2.6	2.6
Rest, coffee break	3.3	3.3	3.5
Bereavement, jury duty, militia	0.1	0.1	0.1
Other time off pay	0.5	0.5	0.5
Legally required outlay	2.7	2.8	2.5
Unemployment insur.	0.6	0.6	0.7
Workmen's comp.	0.6	0.7	0.4
Old age security	1.5	1.5	1.4
Pension-welfare plans	6.4	6.7	5.3
Pension contributions	3.6	3.7	3.4
Welfare	2.1	2.2	1.8
Other benefits	0.7	0.8	0.1
Special bonuses	1.5	1.9	0.6
Non-cash benefits	1.0	0.9	1.2

Source: IRCS, Fringe Benefit Costs in Canada, 1959.

All-Canadian Funds Offers Lower Cost Contract Plan

All - Canadian Funds, Vancouver, has established a new 10-year contractual plan for buyers of its mutual funds.

The plan offers small investors the opportunity of purchasing shares at a reduced acquisition cost formerly available only to substantial cash purchasers, says D. W. Mitchell, vice-president and managing director of **Capital Management Ltd.**, sponsor of All-Canadian Funds.

For example, on completion of the plan, a person with $25 monthly to invest will have paid about the same commission rate as one investing $25,000 cash.

At the end of the 10-year schedule of payments, acquisition costs on the plan will have amounted to 6.63% of the total investment compared with 8% charged on non-contractual sales.

"We believe that ours is the first contractual plan providing a positive incentive for completion rather than simply penalizing the man who fails to carry out his program," said Mitchell.

The plan provides for monthly payments of $20 or any larger multiple of $5, with the initial payment equal to three monthly payments.

Cost to the purchaser is 40% of the initial payment, 40% of each of the first 12 monthly payments, and 2% of each of the remaining 108 monthly payments over the 10-year period.

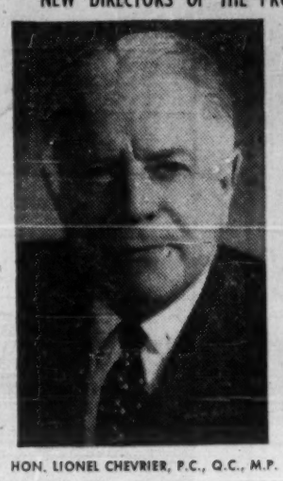
Entire balance of each payment is invested at net asset value.

A person making monthly investments of $100 under the new plan would pay an initial $300 with total payments over the 10-year period being $12,300. Cost to the purchaser would be $816, a saving of $168 over a non-contractual purchasing basis.

All-Canadian Funds had total assets of $20,017,755 at June 30, 1960.

ANNOUNCEMENT

NEW DIRECTORS OF THE PROVINCIAL BANK OF CANADA



HON. LIONEL CHEVRIER, P.C., Q.C., M.P.

MR. LEO LAVOIE

Mr. J. U. Boyer, president of The Provincial Bank of Canada, announces the appointment of the Honorable Lionel Chevrier, P.C., Q.C., M.P. and of Mr. Leo Lavoie to the Board of Directors of the Bank.

Mr. Chevrier is a member of the law firm of Geoffrion & Prud'homme and is a director of Canada General Fund and North American Fund, Canada Ltd.

Mr. Lavoie is a career banker. On completion of his education in 1930 he entered the service of The Provincial Bank of Canada and has advanced in the organization to the position he now holds, that of General Manager.

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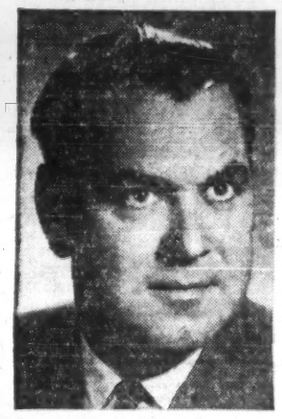

L. E. LEIGHTON

W. F. McLean, President, announces the appointment of L. E. Leighton as Plant Manager, Calgary Packers Limited. Mr. Leighton has been Assistant Plant Manager for the company.

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Oshawa Wholesale Profit, Sales Up in First Half

Net profit of **Oshawa Wholesale Ltd.**, Toronto, for first 28 weeks of current fiscal year (to Aug. 6) was $217,153, up 3.2% from $210,448 in like 1959 period.

Per share earnings were 42c (40c last year).

Sales rose 9.4% to $25.8 million in the latest period. Full fiscal year sales are expected to exceed $50 million ($43.8 million in year ended Jan. 23, 1960).

At Aug. 6, company was supply depot for 123 IGA markets and 68 non-affiliated independent stores.

IGA's share of the market has grown steadily and with sustained expansion, market penetration and profit increases are expected to continue, Oshawa Wholesale President Ray D. Wolfe says.

Under a stepped-up expansion program, 18 new IGA stores will be opened in the next 12 mos. Eight of these will replace outgrown units, five will be new company-operated markets and five will be new dealer stores.

Six new markets were opened in the last six months, of which two are company owned.

Oshawa Wholesale has established a semi-annual dividend policy. Second 10c dividend since it became a public company will be paid Oct. 20 (10c was paid April 15, 1960).

Recent market price of the class A stock: $7⅜, up from $6¾ since end of August. The common (voting) shares are not listed.

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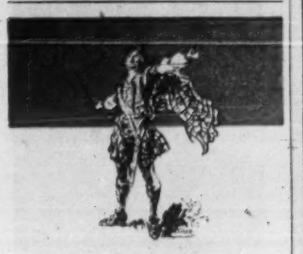

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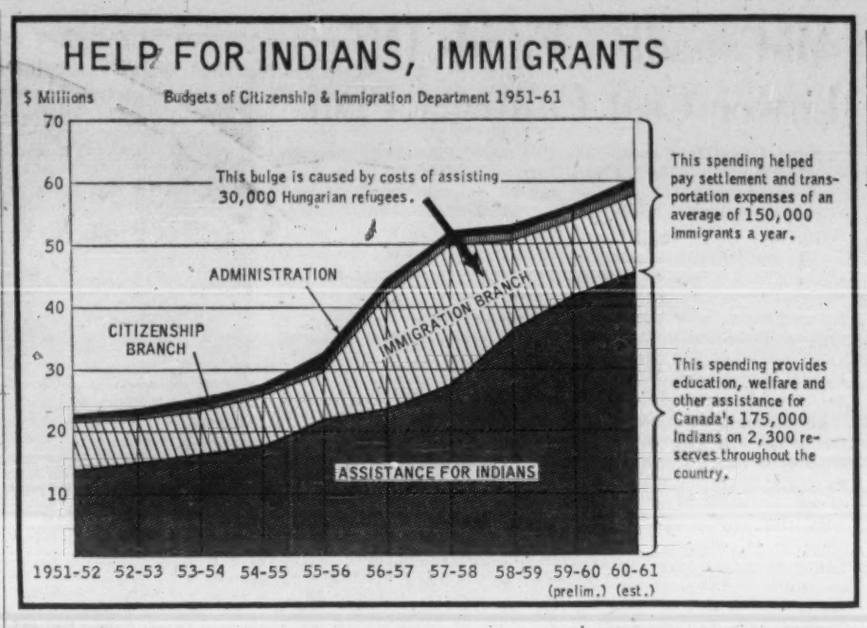


Where your tax money really goes:

IN CITIZENSHIP & IMMIGRATION — No. 13 of a special FP series on major departments of the federal government . . .

By LESLIE WILSON

OTTAWA (Staff) — The government intends to give as many as possible of Canada's 179,000 Indians the chance to "cross over" into the general population.

Just as with the negro in the U. S., "crossing over" means integration.

The Indian stops living in the protection of a reserve as a subsistence farmer, fisherman or trapper, with the right to share in the collective income of his band, and disappears into the general Canadian population.

This requires the same educational opportunities that are open to other Canadians — primary school until age 14 or 16, secondary school after that, a chance to go to university.

There are now 39,000 Indian children in school — 85% of the Indian population between six and 16. Of these, 3,000 are in high school and some 40 are in university.

The number in elementary school is 50% greater than it was 10 years ago; the number in high school five times what it was; the number at university four times.

These Indian education costs are the main reason for the rising budgets of Citizenship and Immigration Department. Here's why:

- **In the 10 years between** the end of the 1950-51 fiscal year and the end of the present one, the department's spending has jumped from $23.2 million to a projected $60.2 million.

This is a cumulative annual increase of 11.2% — one of the top growth rates in departmental spending.

- **Of the $397 million either spent or earmarked** during the period, $260 million or 65% has gone to the Indian Affairs Branch which looks after the welfare of Canada's Indians. The growth rate of Indian Affairs' allocations is 23.1% — a growth rate exceeded only by parts of Northern Affairs Department (FP, July 9).
- **As the table on this page shows,** between half and two thirds of Indian Affairs' budgets over the last 10 years have gone either to build Indian schools or hire teachers.

There are 571 Indian bands in Canada scattered on 2,200 reserves in every province and in the Northwest Territories. Some 430 schools give most Indian children the chance to get at least a primary education.

For those who want to go to high school or university and can profit by it, payment of fees and even full maintenance, is available. The branch pays up to $1,800 each a year on behalf of Indian students in universities.

Spending on Indian education will continue to grow. The table also shows that the Indian population under 16 is increasing more rapidly than the total.

Other expenditures of the Indian Affairs Branch provide a wide variety of welfare services for Indians.

The expenses of Citizenship and Immigration's three other branches will not rise as quickly as those of the Indian Affairs Branch. The following figures show how these costs have changed in the 10 years 1951-61:

- **Immigration Branch,** $8.2 million to $12.1 million, cumulative annual 4.6% growth (not counting costs of the Hungarian refugee movement).
- **Citizenship Registration Branch,** $198,000 to $717,000, cumulative annual 15.3%.
- Citizenship Branch, $282,000 to $825,000, cumulative annual 12.6%.

Immigration Branch maintains a network of offices in major Canadian cities and in countries abroad from which important segments of Canadian immigration is drawn.

It screens immigrants and in some cases pays transportation and settlement costs in Canada.

The gradual growth of the branch's spending is due mainly to salary increases to its staff of 1,900.

New Citizens

Year	Immigrants	Citizenships Granted
1950	73,912	10,637
1951	194,391	12,553
1952	194,498	10,749
1953	168,868	13,528
1954	154,227	19,545
1955	109,946	58,715
1956	164,857	55,402
1957	282,164	95,462
1958	124,181	84,183
1959	106,928	....

Indian Education is Main Cost

Year	INDIAN POPULATION Total	Under 16	% of total	INDIAN AFFAIRS SPENDING Education	Welfare	Branch total
				$ Millions		
1949	136,407	58,610	42.9	6.2	3.2	12.4
1950	....	....	...	5.2	3.1	12.4
1951	....	....	...	7.4	3.9	14.5
1952	....	....	...	7.1	3.6	14.0
1953	....	....	...	8.6	2.9	15.2
1954	151,558	67,006	44.2	9.8	2.8	16.5
1955	....	....	...	10.4	3.5	18.0
1956	....	....	...	13.4	3.9	21.5
1957	....	....	...	14.7	4.2	23.7
1958	....	....	...	17.1	5.0	27.9
1959	179,126	83,885	46.8	22.2	7.7	36.4

Some of the year-to-year shifts are due to immigrant flow — the outstanding example here is the cost of moving 37,000 Hungarian refugees to Canada, $14.4 million, which shows as a bulge in the chart between the 1956-59 fiscal years.

Part of the increase since 1956 is due to the Family Assistance Scheme — cash payments on behalf of each immigrant child under 16 for one year from arrival date. This costs about $3 million a year.

Spending of both citizenship and citizenship registration branches is related, in the long run, to immigrant flow.

The Citizenship Branch tries to help ethnic and other organizations interested in helping newcomers tackle the problem of integrating into the Canadian population.

It employs 24 social workers who deal with immigrants on a group basis and helps the provinces conduct language classes for immigrants.

The Citizenship Registration Branch provides the paraphernalia by which immigrants are issued with Canadian citizenship certificates.

Before 1955 all citizenship examinations were conducted and all certificates issued by county court judges. In that year, special citizenship courts were set up in Toronto and Montreal for this purpose.

In the years since, similar courts were established in Winnipeg, Vancouver, Hamilton and London.

Most of the branch's spending goes for these examinations and proceedings.

Taken across the board, staff costs added considerably to the department's costs.

Staff, at 4,363, is 41% greater than it was eight years ago.

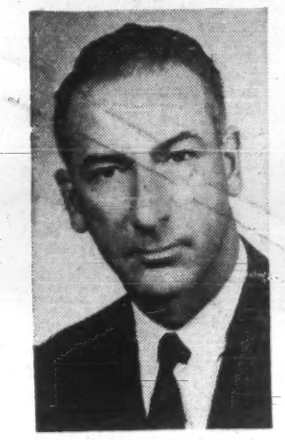
The average salary, at $325 a month, is 39% higher (the average industrial wage is $324 a month, and the increase in eight years, 38%).

Staff costs now eat up 30% of the department's budget, against 37% eight years ago.

Most of the staff increases are in Indian Affairs Branch — up 83% on staff employed in 1952, against 16% for the other branches.

ANNOUNCEMENT

CRANE APPOINTMENT



E. A. THOMPSON

The appointment of E. A. Thompson as Vice President—Sales has been announced by L. H. T. Clegg, President of Crane Limited.

Mr. Thompson has had wide experience in both sales and manufacturing. In his new position he will be responsible for the planning and direction of all marketing operations within the expanding Crane organization.

A Canadian, Mr. Thompson joined Crane in 1954 for special sales work and two years later he was appointed Manager of Crane Steelware Limited in Quebec City. Most recently he has been Manager of the Company's Ontario Sales Office in Toronto.

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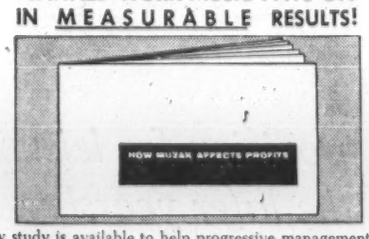

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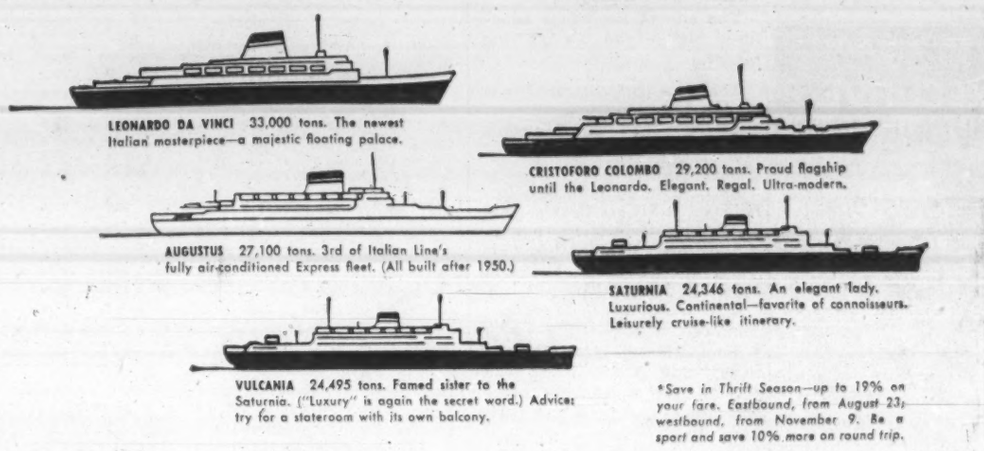

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THE INVESTMENT FUNDS

Investors Growth Fund Adds to Common Stocks

Investors Growth Fund of Canada Ltd., Winnipeg, net assets at July 31, 1960, at $44,281,645 were 3.9% higher than the $42,612,909 reported at the end of April 30.

Net assets per share were down 0.3% to $5.57 from $5.58 three months earlier. Outstanding shares at July 31 totaled 7,954,777, up from 7,631,975 at the end of April.

During the quarter two new common stocks were added, **Standard Brands** and **Radio Corp. of America,** both U.S. issues. The Radio Corp. shares were acquired through conversion of debentures.

Holdings were increased in 18 common stocks, reduced in nine.

One common stock was eliminated. One preferred issue also was eliminated.

The fund added three new bond issues, increased two, and eliminated one.

Here are the changes for the quarter in detail:

	Amt. held July 31/60 $	Chge. since Apr. 30/60 $
Bonds		
Canada, 5½%/63	1,300,000	+500,000
Do., 5½%/69	500,000	+500,000
Do., 5½%/75	1,150,000	+1,150,000
CNR, 5½%/64	1,000,000	+500,000
Que. Hydro, 5½%/64	110,000	+110,000
Radio Corp.	nil	—800,000
Preferred	Shares	
Alta. Gas Trunk	nil	—675
Common		
Bank of Nova Scotia ..	4,000	+2,000
Cdn. Bank of Com. ...	13,575	+450
Parke, Davis	7,400	+4,100
Caterpillar	16,400	—1,600
Dom. Tar & Chem.	33,100	—300
Merck & Co.	1,400	—3,600
Ind. Acceptance	13,900	+1,500
Cdn. Breweries	20,600	+3,300
Standard Brands	500	+500
Geo. Weston 'B'	11,150	+1,540
Aluminium	22,000	+3,400
Int'l Nickel	36,950	—1,050
Colgate-Palmolive	12,800	+300
Int'l Bus. Machine ...	500	+50
Radio Corp. of Am. ..	16,313	+16,313
Imperial Oil	34,400	+6,300
Texaco Canada	9,575	+1,075
Amer. Tel. & Tel.	5,000	+2,200
Que. Natural Gas	nil	—6,890
Union Gas Co.	34,900	+4,900
B. F. Goodrich	8,500	+2,500
Goodyear Tire	14,740	+2,500
MacMillan, Bloedel	33,866	+5,500
Algoma Steel	27,725	—4,275
Steel Co. of Can.	14,100	—1,600
U.S. Steel Corp.	6,500	—1,500
Alta. Gas Trunk	28,100	+1,100
El Paso Nat. Gas	7,000	—2,000
Trans Mtn. O.P.	2,900	—200
Montgomery Ward	11,000	+3,100

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New Seed-Cleaner May Build Exports

The Carter Seedsmobile, designed by a Winnipeg firm, is a portable seed-cleaning unit that is expected to have a good sale in underdeveloped agricultural countries.

It was designed at the suggestion of a visiting Pakistan student and has passed all tests with flying colors.

By LEONARD EARL

WINNIPEG — The Carter Seedsmobile is a unique portable seed-cleaning unit which can be taken to the grain when it's not practical to move grain to the machine.

It was designed by Winnipeg employees of **Hart Emmerson Simon Ltd.**, specialists in manufacture of grain cleaning machinery. Its big potential is expected in countries whose agricultural methods are crude compared with North American standards.

The idea began last November when a visiting Pakistan student impressed by efficiency of seed cleaning equipment, said his government might be interested in a seed cleaning unit if there was one that could be conveniently moved about.

The hint stuck in the mind of John A. Ingraham, manager of Hart Emmerson Simon.

In a vague way Ingraham had been toying with the possibility of expanding the business into the export field.

He made inquiries of the Department of Trade and Commerce.

Early in January the production and marketing branch of the department wrote Ingraham asking if his company would be interested in attempting to turn out a portable seed cleaning unit.

Hart Emmerson Simon occasionally makes small units for individual firms, but mostly for big seed companies and terminal elevators.

One of its largest terminal cleaners installed at Churchill can handle 2,000 bu. per hour.

In designing and making such large units the company had long experience. The job of designing a small movable unit was something different, especially one which had to have 100% clean-out features to avoid mixture and contamination.

Ingraham and his staff were confident one could be made. Long in advance he gave this assurance to Ottawa.

In due course the economic and technical assistants division of the Trade and Commerce department asked for details, blueprints, photographs, complete specifications, and price.

Except for a price tag all the information was supplied by Aug. 20.

Four men were responsible for design of the machine; Ingraham, his assistant Mervyn McKnight; Robert D. Lougheed, assistant shop superintendent; and Harold Erlendson, mechanic in service and maintenance branch.

They agreed on basic units, then proceeded with design of the trailer and space mounting. So far as possible use was made of standard elements, although there had to be slight modifications.

Most of the time was occupied with arrangement, spouting, transmission or drive equipment.

They had to experiment with numerous combinations and arrangements.

The objective was to get a unit that would be practical, compact, rugged, with a minimum number of parts to wear out, a machine simple to operate, as light as possible, and with sufficient flexibility to clean the kinds of grain for which it might be used: wheat, rice, corn, oats, barley and flax.

The trial machine finally took form. Tests had to be made to check mechanical operation. Then other tests had to be made under load in the machines. Preliminary road tests were made for the trailer.

The next and most important step was to send it out for full testing under normal operating conditions.

To do this the Seedsmobile was sent to southern Alberta, a return trip of 1,600 mi. Here it was submitted to critical eyes of a convention of seed growers at Lethbridge. It was tested on seed wheat.

Again it was sent east for trial at the Ontario Agricultural College at Guelph.

At both places results were satisfactory.

The unit got Grade A standing for 100% clean-out of small weed seeds, buckwheat, broken and shriveled kernels, large foreign substances, dirt and chaff. Its performance satisfied the seed growers.

Its capacity rating for different grains varies, for wheat 80 bu. to 100 bu. an hour.

Rotary motion is used instead of sliding or shaking, to lengthen life of the machine and reduce the problem of plugging.

It is built of steel and is capable of one-man operation. Equipment parts are easily changeable for cleaning different kinds of grain.

It is available with or without gasoline or diesel engine for main drive or for flat belt power take-off.

It can be supplied on basis of one unit only at $6,100 f.o.b. Winnipeg.

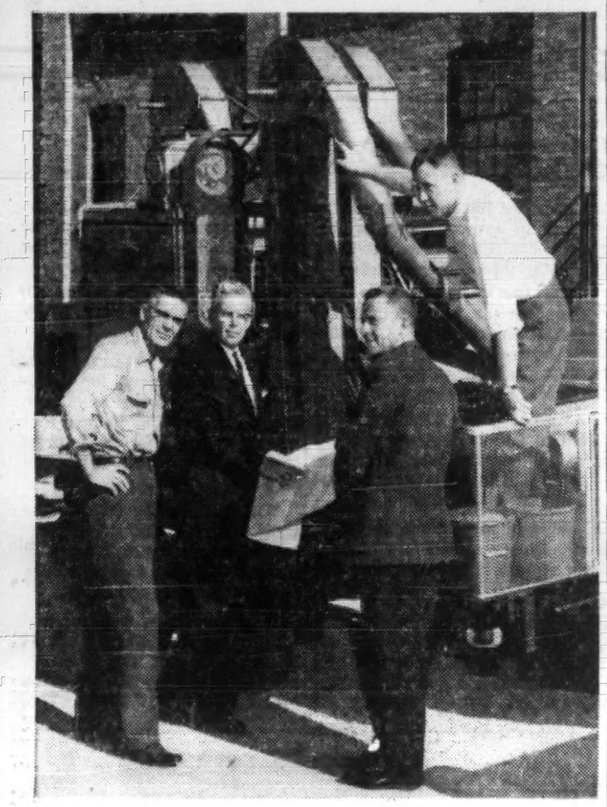
Export price may be slightly higher because of extra packaging expense.

The price includes steel trailer complete with hitch and lights, five tires and wheels, cleaners, disc separators, precision grader, gasoline engine and bagging equipment.

Its manufacturers expect some demand in Canada but main hopes are in export markets where sales, especially in underdeveloped countries, may be helped and encouraged by Canadian trade commissioners in foreign lands.

Hart Emmerson Simon Ltd. was reorganized two years ago and is now a wholly Canadian company.

At peak seasons it has between 50 and 60 employees in Winnipeg.



SEEDSMOBILE and the men responsible for its development: (left to right) Harry Erlendson, mechanical specialist; John A. Ingraham, president and manager; Mervyn McKnight, assistant manager; Robert D. Lougheed, assistant to shop superintendent.

1961 Steel Output in U.S. May Stay at 1960 Levels

Steel output in U. S. next year should remain around the 1960 level of between 105 million and 110 million tons of ingot.

That's a summary forecast by Howard V. Clark, executive vice-president of **Detroit Steel Corp.**, at the 8th annual marketing conference of the National Industrial Conference Board.

Inventory liquidation of steel will probably be completed by the end of 1960.

But there is no indication of inventory accumulation for 1961, Clark says.

His output forecast for next year would mean mill operations averaging from 70% to 74% of capacity.

In surveying steel users, he found forecasts of plus and minus requirements for the year.

Highlights:

- **Compact autos** will take more of the new car market, estimates running from 35% to over 50%.

Despite the swing to compacts, average steel use per car this year has been 1.86 tons, down only a fraction from 1.95 tons last year.

- **Steel consumption in the construction industry** will remain about the same as this year, with residential building picking up steam by next spring.
- **Probable decline in steel shipments to the machinery industry** next year of 5%-10%, perhaps smaller drop in electrical machinery.
- **Railways next** year may have to buy replacement products which they did not buy this year.
- **Because of inventory build-up of farm equipment** this year, manufacturing next year may drop 8%-10% even though retail sales may be good.
- **Steel imports** next year may decline to 2.5 million tons from this year's 3 million plus tons and 4.4 million tons in 1959 (an inflated figure because of the steel strike).

Exports could go to over 3 million tons, about the same as this year.

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ANNOUNCEMENT

CANADIAN PACKAGING APPOINTMENT

JOHN N. NICKELL

J. M. Daley, Manager of Canadian Packaging, the Maclean-Hunter publication serving the packaging, boxmaking and converting field, announces the appointment of John N. Nickell as editor.

For the past 1½ years, Mr. Nickell has been editor of another Maclean-Hunter publication, Materials Handling in Canada. His long and successful career has been centred in business journalism, marketing, merchandising and sales promotion. Before joining Maclean-Hunter, he was director of information for the trade and industry branch of the Ontario Department of Planning and Development.

Company Reports

Real Estate

McCORD STREET SITES LTD., Montreal, net profit declined to $868 for the year ended April 30, 1960, from $23,799 the previous year.

Lower profit on operations and a larger loss on sale of investments were primarily responsible for the poorer showing.

Company added about 6,300 ft. to its rentable property. This new area was quickly rented. Gross rentals for the current fiscal year are expected to reach $83,000 ($78,213 in the 1960 fiscal year).

INCOME ACCOUNT

Years Ended Apr. 30:	1960	1959
Operating profit	$43,564	$49,044
Less: Loss on sale invests.	18,778	139
Net earnings	24,786	48,905
Less: Deprec.	11,090	10,589
Interest	7,619	9,610
Inc. tax	5,209	4,907
Net profit	868	23,799
Times Interest Earned:		
Before deprec.	3.25	5.09
After deprec.	1.30	3.99
Earnings per Share and Dividend Record:		
Common: Earned	$0.02	$0.57
None paid.		
Shares o/s at Apr. 30:		
Common, n.p.v.	41,632	41,632

CONDENSED BALANCE SHEET

As at Apr. 30:	1960	1959
Cash	$5,787	$2,222
Accts., etc., rec.	6,710	4,088
Total curr. assets	12,497	6,310
Prepaid ins.	3,981	.....
Invests. at cost	24,610	99,397
Inc. tax under appeal	16,937	16,937
Fixed assets	511,279	461,309
Total assets	569,304	583,953
Bank loan	.....	40,000
Accts., tax, etc., pay.	34,683	10,199
Total curr. liabs.	34,683	50,199
Mortgage pay.	100,000	100,000
Capital stock	142,595	142,595
Earned surplus	292,026	291,159
Mark-t value	9,975	73,875
After depr. of	46,171	33,568
Workin. capitals	32,186	43,889

Excess of curr. liabs. over curr. assets.

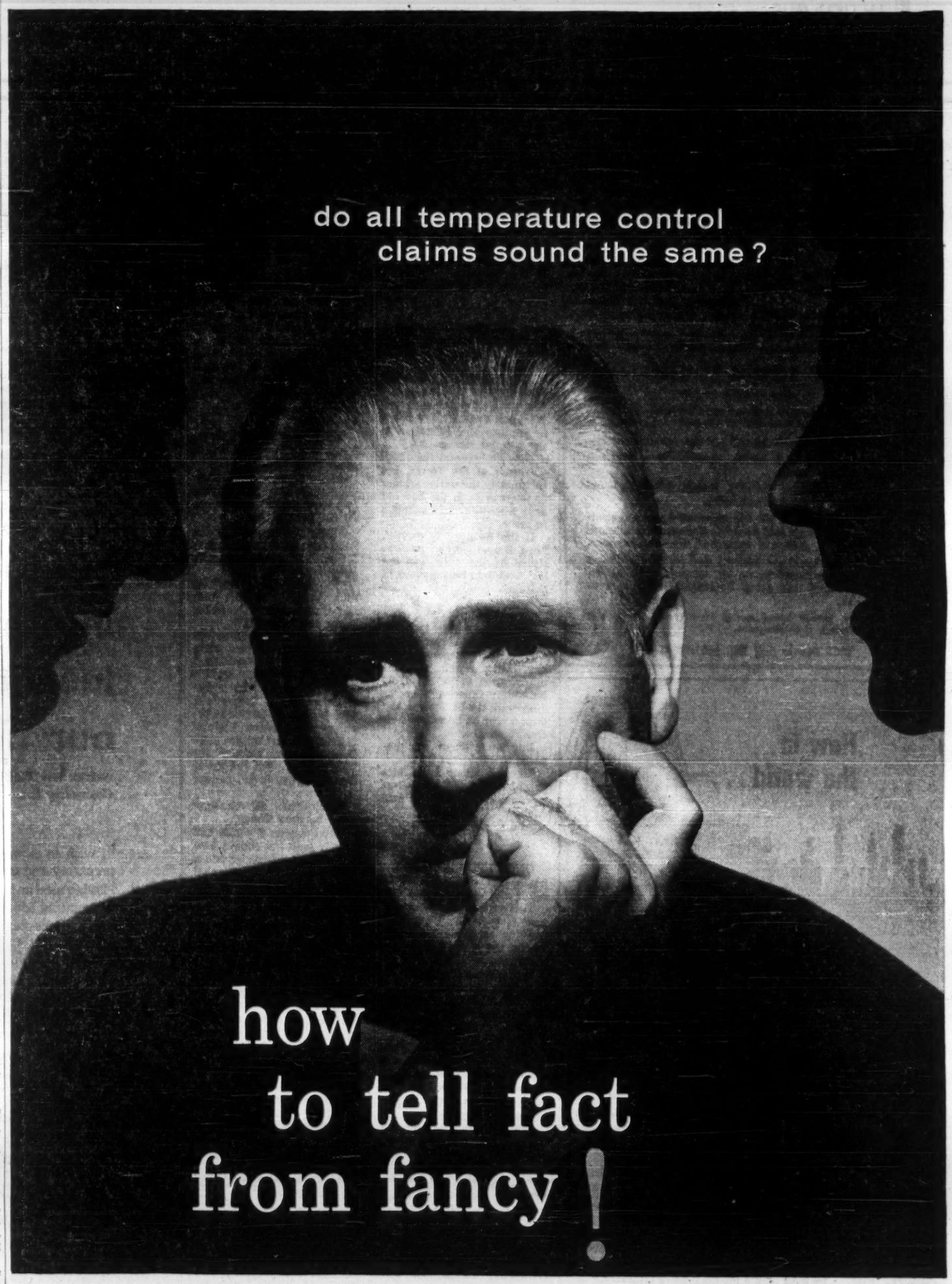
Contingent Liability — As at April 30, 1960, claim for additional income taxes for year ended April 30, 1955, totaled $16,937.

Real Estate Continued

SASKATCHEWAN OIL

From Our Own Correspondent

REGINA — Eight Saskatchewan oil wells were reported as new producers during the week ending Sept. 2, according to the provincial department of mineral resources' statistics division. The new producers are: Benson 1; Carnduff 1; Hastings 1; Midale 1; Steelman 2; Weyburn 1; other areas 1.



Thrifty Decision-Makers Select Controls on the Basis of Lowest Lifetime Costs

True! The claims are the same. All controls are *said* to be "dependable," "inexpensive to operate," "easy to maintain," and so on.

But proving up on the claims is something else, for there are important differences. A little probing may show that one control system consumes 10 or 20 times more power than another! Some controls wear out in 10 to 15 years and have to be replaced at your expense! Others last as long as your building.

How, then, do you separate fact from fancy? You do it by judging controls on the basis of *lifetime costs* rather than on price. Only by adding operating and maintenance expenses to first cost can you get a true cost comparison.

When you build or air condition, ask your architect, consulting engineer, or local Johnson representative to compare the lifetime cost and performance features of Johnson Control with others. You'll quickly discover, as have owners of leading buildings everywhere, that a specially planned Johnson Pneumatic Control System offers you the finest in modern comfort control at the lowest possible lifetime cost.

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GLOBE ENVELOPES ARE GOOD TRAVELLERS

N.B. LABOR LEADER

From Our Own Correspondent

SAINT JOHN — James A. Whitebone has been elected president of the New Brunswick Federation of Labor. He is deputy mayor of Saint John and will be a mayoralty candidate in the October election.

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SIR BEVERLEY BAXTER

writes from London

"Poor Gaitskell tries to persuade the unions Queen Victoria is dead, but they just don't believe it . . ."

RAIN IS SPLASHING on the streets of London, but it is nothing to the hailstorm that is beating upon the venerable head of Field Marshal Lord Montgomery.

I hesitate to invoke David and Goliath, but here we have an author, who was a mere child when El Alamein was fought, and has now written a book to prove that the desert victory was in fact a disaster.

Mr. Corelli Barnett is much too young to have fought in any battles, but he sets out to prove that the generals in command were out-dated, unimaginative and insufficiently mechanically minded.

In keeping with the publicity technique of today, he was duly questioned on TV and was as cool as a chunk of ice.

Not content with knocking Monty all around the ring, our youthful David, in his book, hurled stones at Goliath Churchill with a recklessness which would suggest a considerable element of megolomania.

It was Henry Ford who said that all history was bunk, but at least this book pays belated tribute to the forgotten Auchinleck.

* * *

IT IS A REMARKABLE achievement for so young an author, but there is no excuse for the vulgarity of his style when he describes Montgomery's pursuit of the enemy:

"In mobility and manoeuvre he was as lost as a dray horse on a polo field."

Or later on in the book, "doubt blew coldly into the cosy world of 'balance' and 'master plans' which were the favorite clichés of Montgomery."

Now let us hope that Field Marshal Lord Alexander will break his vow of silence. He is in a position not merely to advocate but to adjudicate.

* * *

INCIDENTALLY "Alex" is about to be installed as Governor of the Tower of London.

This is indeed an honor to a man whose services in the war were of paramount importance, even if they failed to capture the headlines in the popular newspapers.

Now he becomes the 150th Governor of the Tower, but fortunately the duties are not as onerous as in the bad old days when the axe was much in favor.

If my memory is correct, Lord Haw-Haw, as he was styled by the wits, was the last traitor to be executed in Britain.

* * *

WHAT ARE THE DUTIES facing the new Governor?

He will be responsible for the Crown Jewels, and administration of the grim old building. Once a year he dines with the beefeaters, and once a year he takes a parade church service.

But what about his memoirs?

"If and when I go into print I hope it will be the last word on the Hitler war," said Alex.

And so say all of us!

* * *

ONCE UPON A TIME the name of Noel Coward in lights meant "house full."

This week he presented a new play in the West End, but the assassins (in other words, the critics) gave him the bird.

I am looking forward to the day when the actors will boo the critics and give them a taste of their own poison.

* * *

FOR YEARS Gordon Pirie was the best long-distance runner ever produced in Britain. Hopes were high that he would win great honors in Rome.

Alas! He ran like an old woman caught in a rainstorm. Poor Pirie!

Athletically, the British lights are going out one by one.

* * *

AT LAST the cigarette has found a public champion, and as a result we, who enjoy that comforting companion, will be able to reply to our critics.

Our new-found champion is no less a personage than Dr. J. H. Burn of Oxford University who delivered a report to the British Association conference at the scientist "parliament" held in Cardiff.

According to the worthy doctor, the nicotine released when tobacco is smoked unlocks the "cupboard" in the body where a strong drug called "Noradrenaline" is stored. Noradrenaline flowing into the brain, freshens it —particularly when the smoker is tired.

But our champion is not content merely with the physiological aspect of smoking.

"A cigarette gives one a feeling of 'elegance'" he says, "and in addition creates the appearance of calmness."

On the other hand the conference was dead against those pills which pep you up or calm you down.

"Such pills," they declare, "could make a patient insensitive so that he did not mind saying cruel things."

In fact my lady nicotine has found a mighty champion in the appropriately named Doctor Burn.

* * *

IN A WORLD that is in the grip of violence and international strain it is good to be able to report that the Leningrad Symphony Orchestra played superbly at the Edinburgh Festival.

Let us mark it well, not only for the joy that it gave us, but for the dignity that it achieved.

Why did the audience give the orchestra an unforgettable demonstration at the end?

Admittedly there was a special significance in the fact that this was the first Russian participation in the famous Festival, but even the grudging music critics of London threw restraint to the wind and joined in the ovation — and believe me that is something.

* * *

THIS HAS BEEN a disastrous week for the British labor movement.

At the recent TUC conference they managed to pass two contradictory resolutions on H. Bomb policy.

Frank Cousins, who is the head of the unions, describes the clash in clear and simple language.

"We Trade Unionists," he said, "will not support nuclear weapons. But the Labor Party say they will."

In other words the unions and the parliamentary party are completely at variance.

Poor Gaitskell, looking more and more like a bewildered David Copperfield, does his best to persuade the unions that Queen Victoria is dead and that we are more than half way through the 20th century. But the Trade Unionists just do not believe it.

"Backwards to victory!" could be their slogan.

The Party as a whole will shortly hold the annual conference at Scarborough and it is impossible to believe that Frank Cousins and Hugh Gaitskell will be singing "The more we are together, the happier we will be!"

* * *

FROM A NATIONAL point of view, Britain is experiencing a remarkable and sustained boom.

Here is a startling figure — 23,662,000. That is the total of employment today — the highest in British history. Nor is that all.

The cost of living is steady and wages are at an all-time high.

No wonder the opponents of the Common Market are urging "no change." Such a paradise should be locked and barred against the thrust of foreigners.

* * *

NOW LET US take a look at the Stock Exchange which has become not merely an institution but a casino. Roy Thomson's shares, which declined a few weeks ago, have come back to their best. On the other hand **Shell Oil** sinks slowly but steadily and gives the impression that it will never bubble up again.

Quite rightly the brave investors who bought South African gold shares during "the trouble" are now seeing a steady rise in shares such as **F. S. Geduld.**

And now that Mr. Macmillan and the South African Prime Minister are to meet, it is a certainty that the shine on gold shares will be brighter still.

But the big winners on the London Stock Exchange are those who put their money in the large stores. **Marks & Spencer, Great Universal Stores, Gamages** and the others are all at their highest for the year.

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Canada Packers . . . Catelli Foods . . . MacMillan & Bloedel . . . Automatic Electric . . . Horton Steel . . . all have established here in the last five years or less. They're sold, because they know the growth, prosperity and potential of Lethbridge rivals any other city of Canada. Here is a rich agricultural economy — ripe for complementary industry — endowed with all the resources and facilities to make industry prosper. We invite you to investigate Lethbridge now. You'll be sold!

Complete information, including planned, serviced industrial sites — are yours on request. Contact: Earle MacLeod, Industrial Commissioner, City Hall, Lethbridge, Alberta.

in the land of LETHBRIDGE

All-Canadian Car 'Expensive Dream'

Production costs form the greatest deterrent to building a North American car smaller than the present compacts at a competitive price.

Development of an All-Canadian car is an expensive dream that probably would prove to be completely uneconomic in the face of competition from U. S. and European imports.

So **FP** was told in an exclusive interview with E. C. Row, first vice-president of **Chrysler Corp.** and the man who, as president of **Chrysler Corp. of Canada,** piloted the Canadian subsidiary through its greatest period of expansion.

Labor costs loom large in the advantage held by imports smaller than the compacts, Row said.

"Roughly 80% of the cost of building a car is labor. That isn't true of just the assembly cost — but when you consider the labor cost included in the components we buy, in transportation, mining, and all the other preparations that go toward producing an automobile, our people tell us that labor accounts for 80c of every $1.

"We're up against European car builders who are smart and who have plants as modern as we have.

"Yet in many cases they pay one-third to one-half as much as we do for the labor that goes into their cars.

"And most of them are building in large production runs for both domestic and world markets.

"We've given the possibility of a smaller car a lot of study — but we haven't been able to come up with any way to beat that competition in anything smaller than our compacts."

On the question of an All-Canadian car, built to meet the special needs of Canadian motorists, Row pointed out that these needs varied greatly, as do those of U. S. drivers.

"It could cost $180 million to design a Canadian car and get it into production. And then you'd still have all the competition you have today."

Will imports from the U. K. and Europe continue to take a larger slice of Canadian car sales?

No, in Row's opinion.

"My feeling is that most Canadians want a car that will give them, not just bare transportation, but a way to get places with at least some standard of room and comfort for their families, and room for their luggage and effects.

"Canadians are travelling, on the average, more miles every year.

"Our analysts tell us that, because of their need for good-handling cars with room and some comfort, they believe that buying of small, foreign imports by Canadians has about reached its peak.

"Canada usually follows the U. S. by six months to a year in marketing trends. The U. S. already is seeing a downturn in sales of European imports.

"We don't know whether that will follow in Canada, but at least we do not expect to see sales of the imports go much higher."

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writes Mr. Tolkin, Comptroller of Standard Electric Company Inc., Montreal.

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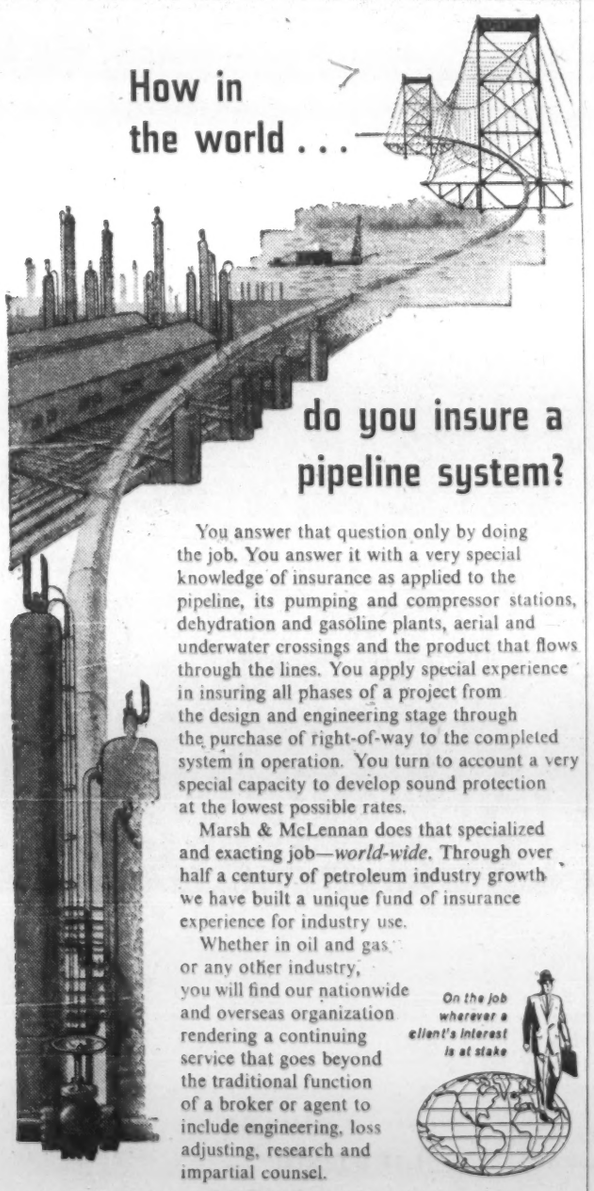

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PUBLIC RELATIONS handbook for unions has quality and eye-appeal. This two-page spread tells how to plan hard-hitting leaflets. Businessmen could study this handbook to good advantage, pr men say.

Business Take a Leaf From Union PR Guide?

By CLIVE BAXTER

Canadian Labor Congress's imaginative and active public relations office recently produced a slick, informative public relations handbook called "Tell the People."

If unions follow its advice, many a Canadian company had better look to its pr program.

In fact, some pr men say that small businesses could use this new union handbook to good advantage.

Canadian labor and management circles are still buzzing over the recent CBC-TV appearance of Teamster boss Jimmy Hoffa.

It is widely considered to have been a major public relations victory for the hard-hitting union leader.

Almost certainly the great majority of viewers, to whom Hoffa was little more than a name in the headlines, came away from their screens with a warmer feeling for the man and his ambitions.

Companies and unions that have felt the full steamroller power of Hoffa and his lieutenants were less impressed.

But most admit he made the best possible use of his time on the air to blunt public opposition to his efforts.

If Canadian labor leaders have their way, there's going to be a lot more of that sort of thing.

As one union official commented: "If Hoffa can be made to look like the defender of the underdog and everyone's favorite uncle; just think what the rest of us could do."

A SMILE at the right moment . . . and public-relations-conscious James Hoffa sells himself like a supersalesman.

Actually many labor leaders in Canada are deeply worried about their movements' public image.

There have been growing indications that unions have seldom enjoyed so little public support (FP, Sept. 3).

There are only five full time pr men in the Canadian union camp.

Two are employed by CLC, and one each by Canadian Brotherhood of Rail, Transport & General Workers, United Steelworkers and the Auto Workers.

Only five other unions or federations have officers officially assigned to part time public relations.

For the rest, the struggle to win outside support has been left to individuals.

In the U. S. most unions maintain pr staffs. Newspapers and other interested parties are kept informed through thousands of highly professional press releases.

Will this be the trend in Canada?

Clifford Scotton, author of "Tell the People", and CLC's assistant director of public relations, points out that Canadian unions don't need big and brassy pr facilities.

If union leaders take a little trouble to learn the techniques of the business, they can start putting their case to the public almost at once.

Observers of the union scene point out one of the main stumbling blocks has been the dyed-in-the-wool senior unionists who think pr is a waste of time.

Their position is not unlike that of many a management man 30 years ago.

If Scotton can change the minds of these old-time unionists, Canadian management will have to sit up and take notice.

Properly handled, almost any company-union dispute can be turned into an emotional situation, with the granite-hearted bosses seemingly ganging up to deny the workers their just reward.

If that is the way a situation is presented to the general public, it can quickly undo much of the work a company has done to build up good community relations.

Only an equally effective counter drive, intended to show the company's case, is likely to prevent it.

This sort of public airing of company-union troubles isn't altogether popular on either side of the bargaining table.

Certainly few labor leaders, and fewer company executives, would want to see every minor grievance thrashed out in full public view.

But when major disagreements appear — for instance a wage dispute leading to a strike — it becomes a matter for public concern.

Many companies are quick to present their case, both through advertisements and active public relations. Only the more wealthy unions have been able to follow suit.

To date this hasn't particularly bothered the bulk of organized labor. But now that the movement is entering politics, the need to win friends and influence people is much more pressing.

It is no longer enough to win a strike if, in the process, the general public is antagonized.

The Canadian labor movement has sometimes seemed ponderously slow when reacting to public opinion. The painfully long time it took CLC to throw out the Teamsters and Seafarers from its ranks earned it some bad publicity.

It has always claimed that the sort of dirty dealing revealed in Senate investigations of certain U. S. unions weren't to be found north of the border.

Yet CLC has dragged its feet about introducing a voluntary code of ethics that would prove its point.

While the CCF obviously looks forward to the sort of financial backing the unions can give the new party, even the hint of organized labor having some dirty washing stashed away in the corner could quickly sour the party's supporters.

The apparent self-interest of the industrial unions could also cause some trouble with the CCF farm wing.

An intelligent public relations program, many observers feel, could go a long way to mending both these political fences.

If Scotton and the other union publicists win their way, will this mean bad news for management?

Not necessarily.

It could be the beginning of a new era of more enlightened relations.

If unions are going to try to gain wider public support, it seems certain that they will have to pay closer attention to their real responsibilities in society.

They would have a hard time convincing the public that unrealistically high demands were justified.

It could also make it increasingly difficult for the few rough and tough unions to make headway.

Only the company that is unwilling to explain its side of the question — or ashamed of it — seems likely to need fear a new union approach to the public.

Meet Mr. Gibbons Of the Teamsters

From Our Own Correspondent

WASHINGTON — In his public relations portraits, Harold J. Gibbons looks like a suburban businessman . . .

His pr image is that of a 50-year-old ex-laborer and crusading labor leader, who talks a lot about democracy.

Gibbons is No. 2 man of the big, international Teamsters Union, and a rough-tough customer, a crony of Teamster boss James R. Hoffa.

Gibbons looms as a force in Canadian labor affairs because he is the man assigned by Hoffa to do two big jobs: one, get the teamsters union back into the good graces of the Canadian Labor Congress and, two, make major membership gains for the union in Canada.

Gibbons normally operates out of St. Louis where he has gained considerable reputation as a labor leader with a record for frequent strikes, according to a report by the Senate Labor Rackets Committee which questioned Gibbons at length on various occasions.

A committee official report has this to say:

"Thomas L. Moran, captain of detectives of the St. Louis Police Department said that the single characteristic of difficulty that the police department had had with Gibbons and unions with which he was associated had been violence.

"Moran spelled out a long list of violence in St. Louis which he attributed to the leadership of Harold J. Gibbons.

"For instance, he said that, in early 1948 when CIO Local 22 was organizing colored taxicab drivers in St. Louis, Harold Gibbons and Richard Kavner were the main officials connected with the local.

"'During that time we had numerous incidents of violence and destruction of cabs and shooting up cabs and beating of cab drivers and it was quite a violent deal; (Capt. Moran testified).

"Later," Moran said, "when Gibbons had taken control of local 688 and was attempting to organize **Rawlings Manufacturing Co.**, 'We had instances of shellac and varnish being placed in the trucks and freezing the motors.'

"He said the same thing occurred that year when local 688 attempted to organize the **Gray Manufacturing Co.** He said in 1949 also in the Rawlings organizing drive, 'phosphorous was thrown through a louver ventilator . . . . It landed on the concrete floor and disintegrated.'

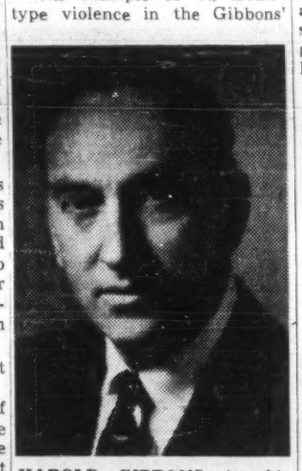
"In May 1950 a fire broke out in a truck belonging to an employee of the **Adler Manufacturing Co.**, which was also being picketed by local 688 . . .

"Captain Moran said the other thing that concerned the St. Louis Police Department about Mr. Gibbons' activities in St. Louis was his association with top hoodlums. Among these hoodlums, he named John Vitale, Anthony Giardano, Anthony Lopiparo and Joe Costello.

"On the other hand, Moran said, Gibbons 'has clearly indicated he has absolutely no use for the police department or policemen'."

The Senate Labor Rackets Committee discussed a number of beatings in the St. Louis labor situation.

"An example of St. Louis-type violence in the Gibbons'



HAROLD GIBBONS, in this Teamster public relations portrait, looks as solemn and distinguished as a St. Louis suburban merchant.

administration was provided by James Ford, business agent for local 600 of the Teamsters Union in St. Louis from 1938 to 1946," the committee official report states.

"In 1946 the local was considered too big and was broken up into three locals, Nos. 600, 632 and 682. Ford became secretary-treasurer of Local 632, a post he held until 1950.

"In that year, Ford said, he was forced to resign by Harold Thirion, who was acting as international trustee over his local . . . Ford said he was given no reason when he was requested to resign, but just told to 'sign, or else'."

Ford later got a job driving a truck and attended some of the local meetings although he was not welcomed by the union leadership, and was finally restrained from attending.

Said the official Rackets Committee report:

"He said he walked in the door, showed his union card to Eugene Wall, president of the local and, 'somebody took a swing at me and then I wound up in hospital'.

"As a result of the beating, Ford suffered a broken nose, a split cheek, lost all of his lower teeth, had three ribs broken and a punctured lung.

"Ford could not work for six months after he got out of the hospital in addition to which he could not work as a teamster because his union book had been taken away from him.

"One of Ford's assailants, by his own admission, was Oldron A. Mitchell, a former member of taxicab local 405 in St. Louis. Mitchell said he was in the union hall one day when Harold Gibbons asked for volunteers to go to the union hall of local 682.

"Mitchell said the men were to keep Ford from going into the union hall. Each of the men was told he would be paid for attending the meeting . . . Mitchell said he got his money from Wall.

"Mitchell said that this particular type of violence, as well as other violence he described to the committee, was going on with the full knowledge of Harold J. Gibbons."

The committee did not think too well of Gibbons' democratic procedures within the union.

It suggested he bought his way into the Teamsters Union by merging one local with another.

Seventy eight thousand dollars exchanged hands in this transaction, which union officials said was severance pay for the union officers who made the merger and lost their jobs in the process.

The official Senate committee report says, however:

"Committee members charged that the transaction actually constituted the sale of local 688 to Harold Gibbons . . .

"The Committee cannot help but feel that the Gibbon's interpretation of democracy is more applicable in a totalitarian society, where through fear and violence the incumbents inevitably remain in power," the Senate Labor Rackets Committee said.

"The committee finds that Harold J. Gibbons, International Vice-president of the Teamsters and head of the St. Louis joint council No. 13, has been consistent in his denial of democratic rights to his critics and to the critics of the policies of James R. Hoffa.

"Mr. Gibbons long proclaimed his devotion to the cause of democracy and civil rights.

"He apparently wants these rights for himself, but not for others within the framework of the Teamsters Union.

"His manipulation of votes in the election of Joint Council 13 was a crude but completely undemocratic attempt to insure his own election as president of Joint Council 13."

To charges made against him by the St. Louis police, Gibbons says he does not trust the police anyway and besides "they are not above framing individuals in the city of St. Louis."

Before joining the Teamsters and becoming a bosom pal of Jimmy Hoffa, Gibbons worked as a laborer, wrote books for the WPA in the U. S. during the depression, worked for the American Federation of Teachers and the Textile Workers Union and finally the Retail Employees Union.

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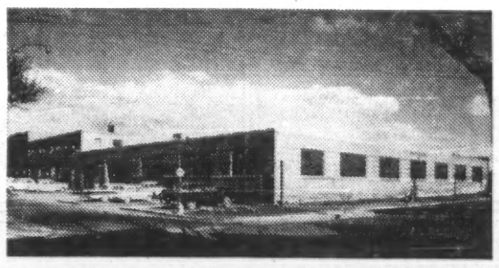

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House Sales Slow But Prices Firm

Sales of new homes are generally sluggish but prices are firm despite a rise in construction costs.

Buyers are more choosy about design features. The drop in conventional mortgage rates has started but it has not brought builders scrambling.

By FORBES GILBERTSON

Sales of new homes across Canada are generally reported to be sluggish.

Prices are holding firm although construction costs increased in the second quarter of 1960 over the first quarter. On the more expensive NHA homes, costs were up about 10c per sq. ft., and on more modest ones built on direct CMHC home-owner loans, about 46c per sq. ft.

Where houses are selling fairly well, builders may up prices somewhat but many of them will try to absorb the cost.

There's an estimated one month's supply of new housing.

Two major soft spots: Toronto and Vancouver.

In spite of a big cutback in starts this year, there's no gobbling up of new homes by buyers.

Starts are expected to improve this fall, but no big upsurge in new house starts is seen.

The long-predicted drop in conventional mortgage rates has started and will level off at the 7% figure. This, plus the fact that there is more money around for NHA building, would normally bring builders scrambling but so far this hasn't happened.

One reason for slow sales: Buyers' choosiness.

Design, size, are bringing some builders rapid sales, slowing them for others.

The sales picture in some major cities:

- **Toronto:** Sales much slower than anticipated and, for the moment, no big upsurge seen in fall building. There are some indications of price-cutting, with builders lowering down payments and taking back more second mortgages. Completed, unoccupied houses and duplexes at the end of August were 1,224 against 808 last year, up substantially although completions were down about 10%.
- **Montreal:** Sales slow and no evidence of any spurt. Starts will increase in the next few weeks. While there seems to be more money available, builders are moving slowly, cleaning up inventories. They're not responding yet to any loosening up in the money market.
- **Ottawa:** Sales were slow in the first part of the year. High interest rates drove more people into apartments. Prices are holding firm in a range of around $16,500 to $25,000. Demand for housing is holding up, but buyers are more choosy.
- **Hamilton:** Despite fewer housing starts, sales are about the same as last year to date, suggesting that new stock is meeting demand adequately.
- **Windsor:** Sales very slow.

"The demand just isn't there compared to other years," one spokesman told **FP**. "There isn't going to be any upswing in building this fall. Where a builder has been asking $25,000 for a house, he'll be glad to get $22,000. NHA house prices are holding fairly steady."

- **London:** Sales slow. A significant indicator of this: more builders are listing their new homes under photo co-op where they never bothered to use this selling method before. But there are exceptions, again suggesting more critical buyers are a big factor in slow sales: one subdivider with homes selling in the $16,000-$25,000 range has been selling steadily.

Belding-Corticelli To Omit Dividend

MONTREAL (Staff)—**Belding-Corticelli Ltd.** is expected to await 1960 fiscal results before considering further dividend payments.

Company has announced it will omit the dividend normally payable Nov. 1. This year, quarterly dividends of 15c a share were paid Aug. 1 and May 2. On May 2, company also paid an extra of 40c a share.

Dividends on the common stock were resumed with a one-for-10 stock dividend paid July 3, 1959. This was the first dividend since 15c a share was paid May 1, 1957.

R. H. Alston, secretary-treasurer, told **FP** that the company is "quite optimistic" about increased volume from its Ways Mill, Que., plant.

The shoe lace factory has been enlarged to incorporate the **International Braid Co.** machinery which was purchased recently (**FP**, July 23).

In 1959, net profit was $135,999 or 91c a common share. In the previous year, net profit of $139,982 equaled $1.05 per common share. (Recent bid, $11¼; high for 1960, $15; low, $10¼.)

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Canadian Industries Ltd. (Montreal) —Dr. John F. C. Dixon, technical manager, chemical div.

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St. Lawrence Corp. (Montreal) — Irwin H. Groom, manager, marketing services for paper and board group.

Swift Canadian Co. (Toronto)—D. T. Brown, manager Edmonton plant.

Tisdall, Clarke and Lesly Ltd. (Toronto) — Kenneth G. Wares, executive group.

Union Carbide Canada Ltd. (Toronto) — Walter E. Algar, technical sales representative, Viskine division.

United Dominions Corp. (Canada) Ltd. (Toronto)—N. Bruce Merrill, manager, Calgary office.

Young & Rubicam Ltd. (Toronto) — Don Roberston, Allen Chandler, Bill McKechnie, account executives.

B-A Builds Parking Lots To Push Gasoline Sales

British American Oil Co. has gone into the parking lot business (**FP**, Sept. 17).

B-A will build a $100,000 two-level parking structure and service station in downtown Calgary.

Drivers parking will have to pass the service station and B-A hopes they will buy gasoline and have their cars serviced.

The corner station will also attract customers from the street.

The development is intended primarily to serve a six-story medical building to be built next door.

"The general idea is to make more use of valuable land," says R. L. Woolsey, marketing manager for B-A.

For about three years B-A has had a parking lot-service station development across from th. Hotel Vancouver in B. C.'s largest city.

The parking lot and service station are leased to operators, Woolsey said.

The Calgary installation was designed by local architect D. H. Warner so that additional stories may be added later.

C. J. Oliver Alberta Ltd. will build the structure, which is scheduled for completion early in 1961.

Irish Exports Rise 50% in Year

Exports of Irish goods to Canada rose 50% in year ending last March 31.

The Canadian figure was $5.7 million out of world-wide export total of $380 million, highest on record, the annual report of the Irish Export Board shows.

Industrial exports have doubled in the 1956-59 period, the board says.

CAREERS *This is Canada's national meeting place for executives who have positions to offer, and for those who have ability to offer*

EMPLOYMENT WANTED

NOTARY

B.A., LL.L., French-bilingual, married, 7 years of practical experience, seeks position of responsibility, preferably in Quebec City.

Write to:

Box 217, The Financial Post, Toronto

FOREIGN TRADE

Canadian, age 29, married, bilingual, have extensively travelled throughout Europe on business assignments, Sales, Trade Fairs, etc., lived in Switzerland, Luxembourg, Germany. European Sales experience, Canadian-European business background, desires change. Employment with exporting company. Minimum Salary: $8,000.

Box 216, The Financial Post, Toronto

COST ACCOUNTANT Naturalized South African, age 24, possessing English R.I.A. equivalent degree and 6½ years business experience (3½ years in England) seeks position with prospects as Cost Accountant or one similar to a Senior R.I.A. student. Experienced in Costing, Budgetary Control, Statement Prep'n. and Reports, Inventory Records and Pricing, Overhead Control, Direct Costing, Wages, Stores and Production Records. Arrived in Canada 29th Aug., 1960. Unmarried. Toronto area only. Box 212, The Financial Post, Toronto.

MARKETING OR DIVISION MANAGER AVAILABLE CHEMICALS PLASTICS

Enterprising marketing executive with senior management experience. Wide knowledge of plastics and use of chemicals in industry — Petroleum, Detergent, Rubber, Pulp and Paper, etc. Proven leader experience in all phases marketing. Pronounced creative ability in new product development. Business admin. grad., age. 37.

BOX 214, THE FINANCIAL POST, TORONTO

PROPERTY MANAGEMENT

Young man seeks challenging position. Six years' good experience with two major companies in property administration, appraisals and mortgage work. U. of T. graduate, married. Will relocate. Resume on request.

Box 215, The Financial Post, Toronto

CANADIAN GENERAL SALES MANAGER NOW AVAILABLE

Mature, competent executive with proven successful record of internal and external management seeks a challenge (a) an existing managership requiring re-orienting and sales increases (b) vacancy where an aggressive General Manager required or (c) set-up a subsidiary in Canada from the ground up. Inquiries invited to **Gent Advertising Agency, 184 Laird Drive, Toronto, Ontario.** Suitable recommendations and precis on request.

Sales Executive

thoroughly experienced in building and training organization. Appliance field, administration and marketing background. Can relocate. Will produce profitable results.

Box 213, The Financial Post, Toronto

YOUNG EXECUTIVE

10 YEARS' EXPERIENCE IN

PULP, PAPER AND CONTAINER INDUSTRY

Record of achievement in sales, administration and production. Presently employed as plant manager of small firm. University graduate, willing to move anywhere for responsible position with advancement opportunities.

BOX 198, THE FINANCIAL POST, TORONTO

SALESMAN, EXEC. ABILITY

High Level Broad. Mixed Background of experience and college in engineering, business administration and sales (Executive, industrial, and direct; tangible and intangible). Age 32. Would prefer your description of opportunity (inc. income range) and I will send my résumé gladly.

Box 197, The Financial Post, Toronto

YOUNG MAN

Presently studying toward B.A. Degree with major in Economics (evening courses); seeks diversified training with an economist or in a dept. of economics while he continues his studies. Bilingual. References as to personal character, ability, past experience, can be supplied. Montreal area preferred.

Box 201, The Financial Post, Toronto

GM Holds Prices, Offers More Cars

General Motors of Canada enters the 1961 automotive campaign with a greater variety of models in lower price ranges.

Company will hold the price line on passenger cars, plans to invest $7 million in expansion of its Oshawa plant.

By RALPH YOUNG

Swinging into the 1961 automotive battle with all the vim of a lusty campaigner, **General Motors of Canada** is carrying the battle to the competition — both domestic and foreign — with these moves:

- **Offering a greater variety** of models than ever before in the lower price ranges — compacts and "standard sized" cars.
- **Holding the price line** on its automobiles.
- **Investing $7 million** in expansion at Oshawa. This is providing a 20% increase in truck manufacturing area, and doubling the capacity of its main parts and accessories warehouse.
- **Broadening its line of trucks** made in Canada, particularly by building larger models formerly imported.

"We're holding the price line on our passenger cars this year," E. H. Walker, president, told **FP**.

"There's even a possibility that, when our prices are finally posted, there may be some slight reductions in a few models. In other cases, we're giving the customers, in effect, a lower price by offering them more for their money."

The economy trend will be evident in the G.M. line, to be unveiled in dealers' showrooms progressively over the next three weeks.

Some of the cars will be shorter. Some will be narrower. One line will have a bit more headroom.

And the dealers will have new, smaller cars — the Pontiac Tempest, Oldsmobile F85, and Buick Special. Although bigger than the Corvair, each of these will be smaller than the standard Chevrolet.

All three of the new compacts will be imported from the U. S.

"But a logical move would be for us to build the Tempest in Canada if its acceptance in the Canadian market appears to warrant tooling up for it," Walker said.

"Our new compacts are more than just relatively smaller cars. They have performance, rideability and roadability that will give real competition to some of the imports," Walker said.

"The Canadian people want to pay less money for what they're getting.

"Yet they want a reasonably broad choice in size, shape, color and mechanical features. It's like buying a house—they want the model that suits their own needs.

"That's why just a stripped-down car has not appealed to Canadians.

"And there's a substantial share of the market still taken by relatively expensive cars.

"Our top line Chevrolet and Pontiac models, plus the Oldsmobiles and Buicks, account for a greater sales volume than all the imported cars our dealers sell.

"We're not reducing the broad choice we offer in that medium-priced market," he said.

Newly Styled Ford Shorter And Narrower

Joining the "compactness" trend that is extending this year to the standard sized cars, Ford has had inches chopped off its length and width.

And, for economy of maintenance, the Ford Motor Co. of Canada will include in its lines features like a grease and lubrication system claimed to extend the chassis lubrication interval to as much as 30,000 mi.

Galvanized body parts are said to resist corrosion, and thicker anodizing of aluminum parts is designed to lengthen the life of grille and lamp trims.

Aluminized mufflers are double-wrapped for longer life.

The Ford sedan is 3.7 in. shorter, and 1.6 in. narrower, bringing it just within the 80-in. limit which Ontario and other jurisdictions have adopted for vehicles not requiring clearance lights.

Company says that interior roominess is the same despite paring of outside dimensions.

The car has been considerably restyled.

Two models are added to the line — a two-door hardtop in the Galaxie series, and a new six-passenger station wagon.

Offer $10 Million Nova Scotia Bonds

MONTREAL (Staff) — A new issue of $10 million 5% Province of Nova Scotia bonds has been offered by a syndicate headed by **Gairdner & Co.**

Issue is made up of $3 million 10-year bonds offered at 99¾ to yield 5.03%, and $7 million 20-year bonds at 97¼ to yield 5.23%.

This is the first time in recent years that Nova Scotia has invited public tenders on a bond issue. Proceeds to the province will be 97.105.

Funds will be used in part for road, bridge and building projects. Also out of the proceeds, there will be an advance of $2.5 million to the Nova Scotia Power Commission.

MANAGER
Boston Office
Nova Scotia Department of Trade and Industry

To represent Nova Scotia in New England, to manage an information office and answer enquiries about travel to the province and opportunities for industry, applications are invited from persons with extensive knowledge of Nova Scotia (preferably from residence in the province) and a number of years of experience in public relations, promotion or related fields.

For this position, ability to make public speeches, tact, initiative, and good character, judgment, personality, physical appearance and health are required, besides a proved promotional capacity.

Salary and allowances for this position will be commensurate with its responsibilities and with the qualifications of the applicant. Please apply before October 1, 1960.

Application Forms may be obtained from

Nova Scotia Civil Service Commission
P.O. Box 943,
Halifax, Nova Scotia

CHIEF ACCOUNTANT

Multi organization located in Winnipeg composed of a Field Contracting Division, Manufacturing Division, Heavy Equipment Distribution Division and a Holding Company requires the services of a Chief Accountant to be responsible for the functions of the central administration accounting and office operations.

The appropriate individual will have a background which includes:

- Financial accounting including budget.
- Cost Accounting "RIA" degree or Equivalent required.
- IBM punched card accounting.
- Knowledge of Systems and Procedures.
- Office administration—accounting—NCR and IBM, payroll, central filing, stenographic pool, inventory records and communications.
- Contractor accounting—job and distribution cost accounting.
- Manufacturing costing process and standard cost.
- Knowledge of or experience in Heavy Equipment distribution accounting—financing, conditional sales, rentals, service shop accounting would be an added advantage.

The successful applicant will have a mature and pleasing personality, experience in organizing and directing personnel and be capable of co-ordinating the activities of his group with the operating divisions.

BOX 155, THE FINANCIAL POST, TORONTO

L S
PACKAGING SALESMEN

Opportunities exist in the Toronto Office of a major packaging materials manufacturer for men with creative selling experience and aptitude.

Although sales ability is the chief requirement, some knowledge of the promotional and mechanical aspects of packaging is essential. Experience with flexible packaging materials is a definite asset.

Successful applicants will receive a good base salary, plus the opportunity to develop a major income from comraission sales.

Preferred age: 25-40.

Applications, which will be held in confidence, should give full details, including present salary.

Leetham, Simpson Limited
Management Consultants
EXECUTIVE PLACEMENT DIVISION
2100 Drummond St., Montreal VI 9-6338

REAL ESTATE MAN

Wanted for a Montreal brokerage firm. Must be experienced. All replies will be held in the strictest confidence. Our employees have been notified of this ad.

BOX 218, THE FINANCIAL POST, TORONTO

SALES MANAGER
REQUIRED
WHO IS A SALES MANAGER

Responsible able decision-maker and administrator, 35-45. Privately-owned Company, established 15 years is in the service field with Head Office in south central Ontario city of 25,000. 16 branches in Ontario. Better than competitive salary plus administrative performance bonus as earned. After satisfactory ability has been established, interest in the Company can be acquired on a progressive basis. Please provide specific qualifications in writing only to:

I. A. Alexander

F. C. Manchee and Company LIMITED
38 KING ST. WEST, TORONTO 1, ONT.

EPC EXECUTIVE PLACEMENT CENTRE for *Executives at all levels*
Suite 304, 97 Eglinton E.
Toronto 12, HU. 1-6301

ACTUARY

We have an excellent opportunity for a Fellow of the Society of Actuaries to help build our rapidly growing life insurance company. This is a position of broad scope with plenty of challenge. Even if you are not looking for a change it may pay you to talk with us. Write: A. E. Archibald, F.S.A., Executive Vice President

INVESTORS SYNDICATE LIFE INSURANCE AND ANNUITY COMPANY
Investors Building
Minneapolis 2, Minnesota

GENERAL MANAGER

THE MEAT EXPORT DEVELOPMENT COMPANY (N.Z.) LIMITED

This newly formed Company with headquarters in **Wellington, New Zealand,** has as its objective sales of meat in under developed markets of the world.

What a challenge to an outstanding executive to help develop New Zealand's great meat export industry.

He will require personality and appearance of the highest order—plus ability to converse and negotiate freely with responsible Government officials and high ranking overseas and New Zealand business executives. Must be mature, imaginative, positive, with highly developed sales capacity and a natural ability for leadership.

The position necessitates visits to countries where potential markets exist. Specialized introduction to the trade will be provided if necessary by various meat organisations in New Zealand. Only executives of the highest calibre will be considered.

SALARY

Commensurate with ability, a minimum salary of £3,000 (New Zealand currency) plus liberal expenses, benefits, transportation, etc.

APPLICATIONS

should be by letter including copies of references and/or names of persons we could contact. State in complete detail all relevant particulars—age, marital status, academic attainments, experience, personal interests, address, telephone numbers.

We have been retained by the Meat Export Development Company (N.Z.) Limited to advise in the selection for the above responsible position and your application will be regarded in confidence. Please write directly by air mail to:

Meat Export General Manager
R. D. GREENWOOD, GLASGOW & ASSOCIATES LTD.
Management Consultants
G.P.O. Box 1697, Wellington

Specialist In Purification Processes

The design, application and manufacture of mechanical equipment associated with waste and water purification is being undertaken by a large Canadian Company.

The applicant is to be appointed to carry a senior technical responsibility in a staff group forming part of a new Department.

Duties will be associated with:

1) determination of required treatment processes and methods;
2) development of new and improved processes and equipment.

A desirable background will be strong in science and engineering. Thorough familiarity with the state of the art is essential.

Individuals interested in discussing the possibilities confidentially should forward full particulars to:

Box 202, The Financial Post, Toronto

CAREERS

This is Canada's national meeting place for executives who have positions to offer, and for those who have ability to offer

HELP WANTED

UNIVERSITY TRAINED AND PROFESSIONALLY QUALIFIED MAN

With broad experience in industrial accounting for challenging position in large and expanding chemical industry located in Western Ontario.

Following a reasonable period of training, the successful candidate, under a minimum of supervision from the Comptroller, would be expected to handle all aspects of the company's accounting functions.

Must be able to meet and deal successfully with all levels of company personnel including senior management. It is essential that the candidate be experienced in, and capable of supervising staff.

Investigate this exceptional opportunity by writing in confidence, stating education, experience and salary requirement to Box 208, The Financial Post, Toronto.

RS RÉSUMÉ SERVICE CO.
Your job application will be more effective with our professionally prepared résumé. Write for details or inquire at Rm 304, 97 Eglinton Ave. East Toronto. HU 1-6362.

DISPLAY ADVERTISING RATES

$11.76 per col. inch per insertion (84 cents per agate line, 14 lines constitute one inch). Closing date — Copy must be in Toronto Office by Monday a.m. Display advertising in this section payable in advance.

ACCOUNTANT

To head Internal Audit Division of large United Nations Agency operating in Lebanon and neighbouring countries. Possession of CA or CPA plus considerable experience in supervisory audit positions essential. University degree desirable. Must be capable of establishing and supervising complete internal audit programme and submitting reports thereon. Staff will include at least five International auditors and five local audit assistants plus secretarial and clerical employees and may be expanded shortly. Salary starts at $7,300 per annum plus allowances varying from about $1,500 to $2,500 or more per annum depending on family circumstances, all salary and allowances free of income tax. Address full details of qualifications and availability plus recent photograph to Liaison Officer, UNRWA, UN Secretariat, New York. Please do not apply unless fully qualified and definitely interested in working abroad.

SALES ENGINEERS

An important heavy industrial manufacturing company engaged in an extensive diversification programme is seeking the services of two sales engineers for its newly formed pump division.

Applicants must be graduate engineers, preferably chemical or mechanical with no less than four years of successful business experience. It would be a distinct asset that experience be in the pump or chemical field although this requirement is not essential as candidates selected will undergo thorough training.

These are excellent ground floor opportunities for energetic men in the 25-35 age group who are desirous of making or furthering a career in technical sales.

Please reply, in writing, giving full details of education, business experience and salary expected to:

PERSONNEL DEPARTMENT
Montreal Locomotive Works Limited
P.O. Box 1000, Place d'Armes, Montreal, P.Q.

Opportunity For:

ASSOCIATION GENERAL MANAGER

The newly formed Canadian Nuclear Association invites applications for the position of General Manager. There is wide scope for a capable administrator, with considerable ability, judgment, drive and initiative.

Applicants should be 30-50, have a University degree, preferably with some scientific or engineering training, and should have at least 5 years experience in the field of management at a senior level in industry or government. Experience in the nuclear field would be valuable but not essential. Write for further information, giving details of education and experience.

BOX 200, THE FINANCIAL POST, TORONTO

Getting Ahead

Astute businessmen plan for success; they read The Financial Post because it helps them make right decisions. Yearly by mail in Canada $8; elsewhere $9 yearly.

OPC ONTARIO PSYCHOLOGICAL CENTRE
For aptitude and executive assessments. Educational and career planning.
97 Eglinton Ave. E., Toronto. HU 1-6362

ENGINEERED PLASTICS . . .

INDUSTRIAL SALES MANAGER

Our client is a well established company manufacturing and distributing a new line of engineered plastic products used in various chemical process industries.

An experienced senior salesman, with appropriate background in plastics, is required to head up sales and marketing across Canada. Sales are currently well established. These products are sold primarily to original equipment manufacturers and are promoted through consulting engineers.

The initial salary is excellent and there is a realistic opportunity to progress rapidly as the company expands. Mail complete details of your business history, personal background, education, and current earnings, in confidence to

Mr. H. B. Lett, P.Eng.
HICKLING-MACLEAN LIMITED
120 Bloor Street West, Toronto 5, Ontario

Consultants to management in the search and selection of executives and senior sales staff.

J. B. Fraser Executive Placement Consultants Ltd.

Canada's leading Executive and Professional Placement Company, serving Business, Industry and Executives from coast to coast for nearly a quarter century, invites your confidential enquiries.

With a skilled staff of twenty and executive offices in both Toronto and Montreal, personnel requirements are negotiated in all categories from $6,000 to $60,000 a year and Presidential levels.

TORONTO—WA. 2-2191
The Confederation Life Building
321 Bloor Street East

MONTREAL—VI. 2-9833
The Drummond Building
1117 St. Catherine Street West

WANTED SALES *and* TECHNICAL REPRESENTATIVE

— man with good personality and character reference: Selling ability essential and ability to absorb technical information — to call and to promote to Lumber Dealer trade — Age 25 to 35. Excellent opportunity for right man. Apply to **Box 199, The Financial Post, Toronto,** stating when available, salary expected, with your picture.

DISPLAY ADVERTISING *RATES*

$11.76 per column inch (one column wide x one inch deep) or 84 cents per agate line (14 agate lines = one column inch). Copy must be in Toronto Office Monday a.m. **Display advertising in this section is payable in advance.**

ACCOUNTANT

An expanding manufacturing concern located in Brampton requires an accountant to assume full responsibility for its accounting and office functions. Preference will be given to candidates in the 30-35 age group who have professional accounting qualifications in addition to sound industrial experience. Starting salary will be in the range of $8,000-9,000 per annum.

Replies should fully describe qualifications, experience and personal history. They will be dealt with in confidence and should be addressed, with envelope marked "Accountant," to

PRICE WATERHOUSE & CO.
55 Yonge Street
TORONTO 1, ONTARIO

DISPLAY ADVERTISING RATES

$11.76 per column inch (one column wide x one inch deep) or 84 cents per agate line (14 agate lines = one column inch).
Copy must be in Toronto Office Monday a.m.
Display advertising in this section is payable in advance.

CHARLES EXECUTIVES
& Part-Time Personnel Ltd.

Specialists in supplying HELP OF THE HIGHEST CALIBRE *to the Advertising — Marketing Sales Fields*

HU. 7-1576
120 EGLINTON EAST TORONTO 12

SALES DEVELOPMENT

A man with a sales background is required by a medium size, progressive manufacturer of small metal parts. Must be capable of producing a thorough market analysis and setting up a necessary sales organization to provide the manufacturer with new outlets. Furthermore he will be required to have a proven record of sales with sales promotions ability, and be presently employed with minimum salary of $8,000.00. This is an opportunity for a career with exceptional growth potential.

BOX 196, THE FINANCIAL POST, TORONTO

Good starting salary for experienced

SENIOR SYSTEMS ANALYST

Required for the internal Systems Consulting Department of an all Canadian Company with multi-plant operations across Canada.

Applicants should have good general systems experience in the manufacturing industry with a working knowledge of punch card accounting. Preference will be given to senior graduates.

The successful candidate must be able to deal at all levels of management in a wide range of subjects. He must be able to express himself logically and clearly both verbally and in writing.

All applications held in strict confidence. Reply giving full particulars to:

BOX 203, THE FINANCIAL POST, TORONTO

MANAGER ONTARIO BRANCH OFFICE

Salary Open

The Job . . .

An outstanding management opportunity with excellent short and long range growth prospects with a heavy construction and industrial equipment manufacturer.

Major responsibility to initiate and develop a direct sales program in Ontario for the full range of company products to achieve or exceed forecast sales volumes within sales expense budgets and to obtain an increasing share of the total Ontario market.

The Man . . .

A result orientated sales executive, age range 35-45 preferred, with a thorough knowledge of the Ontario construction equipment market as an essential pre-requisite.

The man we seek is a native Canadian sales executive in the construction equipment or allied fields, with a good analytical mind, the proven ability to lead competent people and an aggressive sales personality. Formal marketing training to complement an engineering degree would be a great asset but not essential.

Please reply in strict confidence to:

PAYNE-ROSS LIMITED
management consultants
250 UNIVERSITY AVE., TORONTO

SMALL BUS rounds a corner in North Bay.

Small Buses Show Profit In North Bay

Small 17-passenger buses seem to have solved North Bay's transportation problem.

Although an earlier bus service went broke, Philip McCarthy's fleet of eight Mercedes Benz buses has given passengers good service and shown a profit ever since they went on the road last January.

By ANNE LORIMER

NORTH BAY, Ont. — Small buses are the answer to public transportation needs in a city of less than 50,000 population.

So says Philip McCarthy, who has been making money with 17-passenger units since they went into service here last January.

North Bay's bus service ceased in the spring of 1959 after operating at a loss for years.

McCarthy, operator of a taxi and ambulance business, started with eight **Mercedes Benz** buses, first such units to operate in Canada.

McCARTHY

Although North Bay voters in 1959 had approved a $48,000 annual subsidy, McCarthy's contract includes a subsidy of $24,000 for the first year only.

The buses carry an average of 2,800 passengers daily, six days a week. A ninth bus will be added in October.

Investment of $8,000 per unit has been profitable from the start, McCarthy says. This is partly due to economical operation.

The diesel-powered buses have averaged 21 mi. per gal., despite an average of six stops per mile.

Fares are 15c for adults, 10c for children under 12.

McCarthy anticipates engine-rebuilding at the 200,000 mi. mark. He rents a garage from an oil company on a five-year lease.

He has two full-time mechanics. A supervisor directs the operation of the buses.

Bus advertising brings in $5,600 annually. Advertising space is also sold for bus schedules, which more than covers his printing costs.

In addition to the eight small buses, the system includes three standard size buses, which are used on school routes.

McCarthy in addition to operating the bus system in North Bay, has a fleet of 10 taxi cabs and since 1959 has provided ambulance service, covering a radius of 75 mi., with three new, completely equipped ambulances on 24-hour call.

He is starting a towing service soon and also plans to buy a plane for ambulance service to remote areas.

His capital investment in three years has increased to $160,000.

McCarthy left Northern Ontario for four years in 1953 when he took his savings after 18 years working in Temagami lumber camps (he started at age 14 and at 18 was superintendent of a camp of 125 men) and went to Toronto.

In Toronto he leased a service station with car wash and taxi business. But he missed the North and did not like the pressure, noise and congestion of the big city.

He sold out and returned to North Bay where he started his taxi business in 1957.

RCA Victor to Get Share Of Bigger Defence Work

President John L. Burns of the **Radio Corp. of America** said recently that as RCA's defence business in the U. S. expands, it intends to assign "increasing responsibility" to its associated company in Canada, **RCA Victor Co.**, Montreal.

Speaking at the annual banquet of the Canadian International Air Show in Toronto, Burns announced that the Canadian firm has taken on a $2-million order covering equipment for an electronic detection and control system which is part of the North American aerial defence.

This system involves the automatic transmission of information to interceptor planes and Bomarc missiles.

RCA Victor will produce security sealed circuits—compact, reliable prefabricated panels with wiring permanently etched in place, Burns said.

Burns said that in Canada "the research ability, the technical proficiency and the production skills are available to do a first-rate job for defence".

Within the decade, the RCA president predicted, advanced electronic equipment will make air travel less dependent on the weather and automated from takeoff to landing.

"A country-wide network of radar stations, radio aids and electronic computers will automatically project the flight pattern of military and civil aircraft.

"Each will be assigned air space along a precisely defined electronic skytrack.

"The electronic system will keep all planes under constant surveillance, guiding their course through computers aboard the aircraft and automatic communications from the ground.

"In all routine messages, the present laborious voice radio contact between pilot and control tower will be eliminated, and the ubiquitous 'Roger' banished from the cockpit forever.

"Instead, push buttons will flash these messages to the pilot instantaneously, and get automatic responses.

"At the approaches to airports, automatic landing devices will bring planes in safely and make way—within seconds—for the next arrival or departure. Once on the ground, a plane will be guided over an electronic taxiway to its parking space at the air terminal."

Burns said the use of orbiting satellites holds great promise in communications and weather forecasting.

Bouncing radio signals off a balloon, as was done with the Echo satellite, is merely "a first step into the unfolding domain of satellite communications," Burns said.

"A more sophisticated system will incorporate what are known as 'synchronous satellites', positioned so as to appear fixed in space above one point on the earth's surface.

"Three or four such satellites, with electronic relay equipment, will ultimately link all the world's major cities with live television and microwave radio communications.

"Weather satellites will maintain a continuous watch over the entire earth, sending back a steady flow of reports on new storm centres", he said.

"Highly accurate 90-day forecasts will become the rule rather than the exception."

ELEGANT-EXCLUSIVE

CHRISTMAS GIFTS FOR YOUR CUSTOMERS

These useful and unique presents will delight your customers. They will make them happy . . . . . and responsive.

ETASCO "EMINENT"
Electric Shaver for the Car

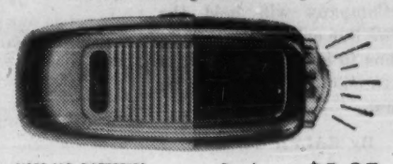
Complete with Cigarette Lighter Plug, cord and zippered case.

Regular Retail **$9.95**

For special quantity discounts write today.

Handy to have permanently in glove compartment for ready use whenever needed.
Operates on 12 volts.
The curved shaving head acts like a roller comb giving a perfectly clean and smooth shave.
New close cutting action will handle any beard without irritating the skin.

ETASCO "PRIMALUX"
Lifetime Rechargeable Flashlight



USES NO BATTERIES

Regular Retail **$4.95**

For special quantity discounts write today.

To recharge like new simply plug into any electric outlet.
Casts a steady brilliant light forever.
Unusually large reflector and lens give really powerful beam.
C.S.A. approved.

(Can be imprinted with your name at small charge)

Write today for full details of these elegant and exclusive goodwill presents, and make sure of obtaining either of these useful precision made articles for your Christmas Gift to clients and customers. Do not delay.

Sole concessionaires:

BLUNCO (CANADA) LTD.

19 MUSGRAVE STREET, TORONTO 13. TEL. OX 4-0821

Wins Approval to Sell Variable Annuities

A major hurdle blocking the sale of variable annuity contracts in the U. S. was cleared in Washington this month.

Equity Annuity Life Insurance Co., Washington, won official approval from the Securities & Exchange Commission for the sale of annuity contracts designed to provide a varying income to holders. The variable contracts have been designed to cushion the effects of inflation.

Company receives the final approval for its variable annuity program 17 months after a U. S. Supreme Court decision that the contracts were securities and subject to SEC regulation.

Last week's decision is considered of high importance for insurance and investment companies in both the U. S. and Canada.

It may accelerate a decision on the SEC application of **Prudential Insurance Co. of America,** world's second largest life insurance company and major proponent of the variable annuity.

Once variable annuities catch on in the U. S., they will spread quickly to Canada, most insurance men agree.

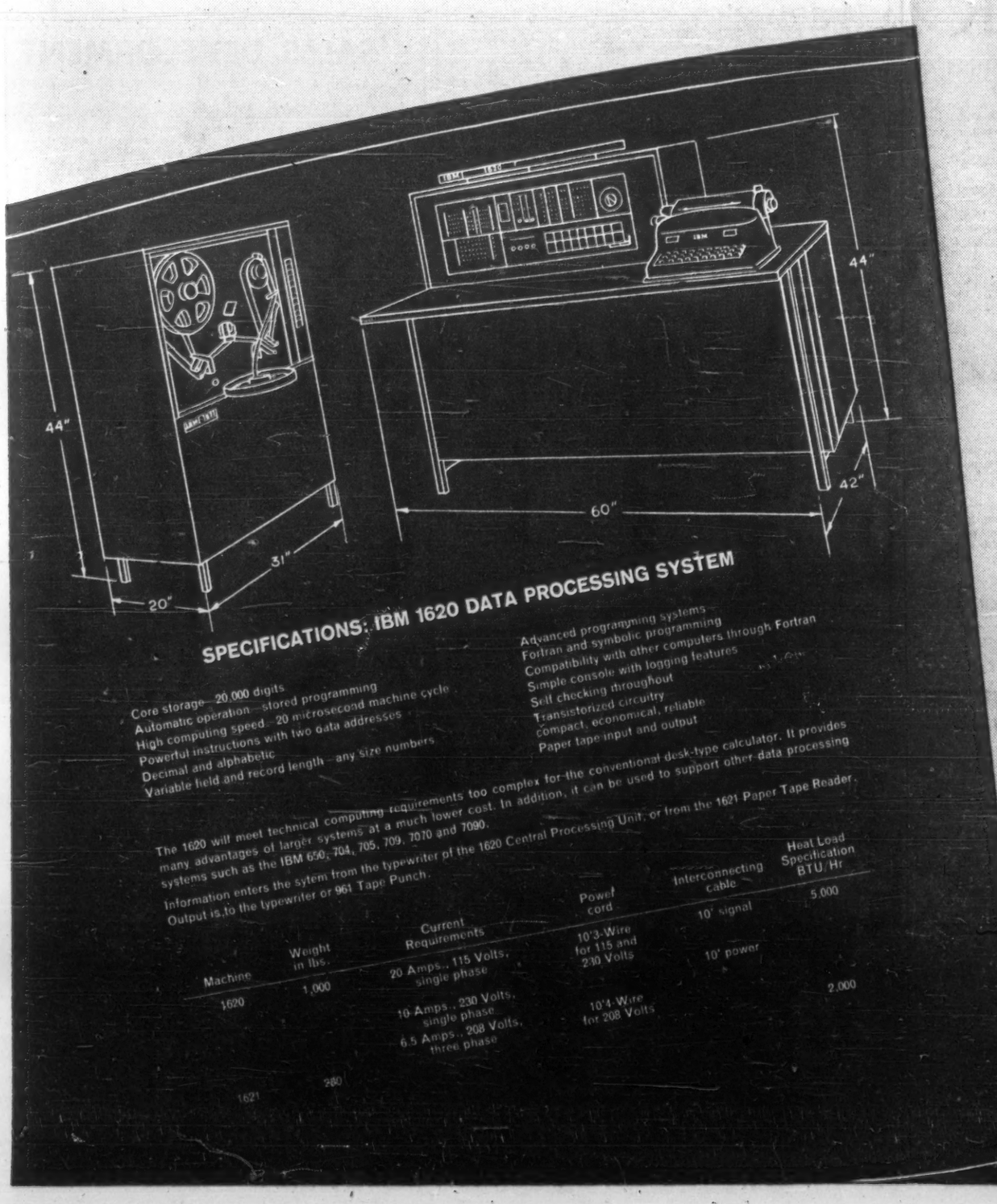
In fact, at least one Canadian company is about ready to launch a variable annuity program of its own.

Industrial Life Insurance Co., Quebec (**FP**, June 11) is expected to make variable annuities available in Quebec on a group basis within the next two weeks. It had been expected originally that the new policies would be ready for offering by the end of July.

Details of the new contracts are not yet available.

EXPAND LINES

The Koehring line of construction equipment will be handled exclusively in Ontario by **M. L. Baxter Ltd.,** Toronto, as of Sept. 26. Agreement was reached recently between Baxter and **Koehring-Waterous Ltd.,** Brantford, Ont. Move adds a major power crane and shovel line, plus off-highway hauling units, concrete paving machines, and trench excavating units, to Baxter's existing lines.



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Core storage—20,000 digits
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High computing speed—20 microsecond machine cycle
Powerful instructions with two data addresses
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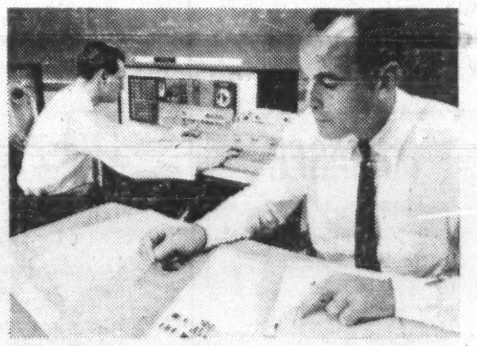
Variable field and record length—any size numbers

Advanced programming systems
Fortran and symbolic programming
Compatibility with other computers through Fortran
Simple console with logging features
Self checking throughout
Transistorized circuitry
Compact, economical, reliable
Paper tape input and output

The 1620 will meet technical computing requirements too complex for the conventional desk-type calculator. It provides many advantages of larger systems at a much lower cost. In addition, it can be used to support other data processing systems such as the IBM 650, 704, 705, 709, 7070 and 7090.

Information enters the sytem from the typewriter of the 1620 Central Processing Unit, or from the 1621 Paper Tape Reader. Output is to the typewriter or 961 Tape Punch.

Machine	Weight in lbs.	Current Requirements	Power cord	Interconnecting cable	Heat Load Specification BTU/Hr
1620	1,000	20 Amps., 115 Volts, single phase	10'3-Wire for 115 and 230 Volts	10' signal	5,000
		10 Amps., 230 Volts, single phase		10' power	
		6.5 Amps., 208 Volts, three phase	10'4-Wire for 208 Volts		2,000
1621	280				



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The 1620 is easy to learn, easy to operate, easy to communicate with. It adapts readily to specialized and general problems such as design development, blending problems involving matrix arithmetic, research calculations with differential equations. It facilitates the development of mathematical models for plant and shop operation, and evaluation studies employing statistical techniques such as regression analysis.

IBM also makes available a comprehensive library of mathematical routines and programs as well as reliable customer engineering. These services supporting the 1620 are an important part of IBM Balanced Data Processing. They make it easy for you to make full use of the 1620 in your operations without delay. Like all IBM data processing equipment, the 1620 may be purchased or leased.

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Pentagon Sells 'Bug-Gas War'

The U.S. Pentagon is gaining in its propaganda drive to make germ and nerve warfare respectable.

Many business firms, doctors and journalists are helping sell the need for development of "bug and gas" weapons.

Canadian experts, working with Defence Research Board facilities, are also doing research on this kind of warfare.

From Our Own Correspondent

WASHINGTON — The Pentagon is having success in its campaign to make germ and nerve gas warfare respectable.

For the past half-year the U. S. Army Chemical Corps has been attempting to popularize the use of germ and nerve gas weapons.

Scores of speeches have been made, special conferences, big and small, have been held, and demonstrations given.

As a result, many business firms, doctors and journalists have been corralled to aid in impressing the people of the need to develop these weapons.

The Pentagon argument is that only by developing them and having them ready to use, will the U. S. prevent the Russians from using them and also have defences for the U. S. people against them.

Canadian experts are working in this gas and germ field, too, doing research work in cooperation with the U. S. in Alberta and other Defence Research Board facilities.

At a recent American Medical Association conference, Brig.-Gen. Joseph H. McNinch, head of the Army Medical Research and Development said U. S. doctors must lend their knowledge to the development of a weapons system using nerve gases and germs.

It is impossible to develop defences against these weapons, he said, without developing the weapons themselves.

In its biggest move for public attention on the problem of "educating" the public about the weapons, the Chemical Corps recently invited a number of journalists to watch demonstrations at its Dugway Proving Ground in Utah.

Since then, articles have been popping up in various U. S. publications, sympathetic to the Chemical Corps objectives.

The journalists saw rabbits, goats and pigeons killed by nerve gases in 10 seconds.

Dr. Richard S. Morse, the Army's Research and Development Director, explained that it was not a case of more money needed now to speed this work. About $40 million was spent last year and the figure is regularly increasing.

He noted the Russians had falsely accused the U. S. of using biological warfare in Korea and added, "We lost ground, particularly in the non-white areas . . . . this is dirty pool and they are good at it."

Speaking publicly, the U. S. Chemical Corps officials always emphasize that the U. S. does not want to use germ and nerve gas weapons first. However, retired senior officers in the Corps, have stated publicly that the U. S. must change its present policy of "second use only" of these weapons.

The U. S. Congress has been devoting increased attention to this form of warfare, and critics of the weapons have come in for heavy scorn and suspicion of being subversive.

Rep. Robert Sikes, Florida Democrat, says:

"I am seriously concerned about the pattern of anti-chemical and anti-biological propaganda which has appeared in certain publications . . . . However idealistic they may be, they are playing into the hands of the Soviet propagandists. They refuse to recognize that our continued existence as a free nation makes it mandatory that we provide a defence which permits us to cope with enemy attack."

At this past session of Congress about $35.5 million was provided for 100,000 poison rocket launchers. These are the new 115-mm M-55 missile that can be fired on the battlefield in salvoes. The Army hopes to build a large stockpile of these missiles.

It's also been found that other good ways to deliver poison gas include:

- **The Sergeant surface-to-surface missile** with the germs or gas trapped in small aluminum balls in the warhead. Air would react on the gas, releasing fumes through holes in the balls, either by radio command in the air or on impact.
- **Honest John Missile.** This would use much the same method as Sergeant.
- **Aircraft spray tanks** hung on jet aircraft for low altitude sweeps across a target area.
- **ICBMs.**

Meanwhile, the Chemical Corps has been holding sessions with industry representatives on its needs in the whole field of chemical, biological and radiological warfare. More than 500 business officials have had these briefings.

With these and other methods, the Chemical Corps hopes it can close what has been called the "bug and gas gap" with Russia.

NEW BANK BRANCH

A new branch of the **Bank of Montreal**, to be designated "Inter-City Branch", will be opened Sept. 26 at 908 Memorial Ave., Port Arthur, Ont. I. L. Benson will be manager.

Canadian Suppliers Barred From U. S. Highway Plan

From Our Own Correspondent

WASHINGTON — Canadian suppliers, in their efforts to share in the multi-billion dollar U. S. highway building program, have run into a protectionist roadblock.

Canadian firms have not been able to sell much material and equipment to the program, but chances will be even slimmer in the future.

Some other foreign suppliers, notably in Europe, Japan and Venezuela, have been able to climb over the "Buy American" restrictions but many of them have been hit by even stiffer protectionist gimmicks imposed by the individual states.

Canada has sold some cement for the vast nighway program and there is a good potential for steel rods and contractors' equipment. But in most cases, the U. S. restrictions will be too high for Canadian goods to climb over and still be competitive in price.

Canadian sales, for the most part, have been confined to border areas, mostly in the West.

Washington has been trying to set up a uniform pattern of foreign buying policies.

It wants the states to follow the usual "Buy American" restrictions of giving business to imports only if they are 6% under the lowest domestic bid, and 12% under if the region is one of heavy unemployment.

The states, however, not only have been doing this, but adding their own restrictions.

The highway building program is a mammoth one: $2,500 million is being spent on it this year alone, and it will go on through 1972.

For the next dozen years, the program will consume 50 million tons of structural steel, 20 million tons of bars, 16 million tons of wire and more than 8,000 million bbl. of cement. This will produce 40,000 mi. of highways.

The State Department has been trying to give other nations a chance at some of this business, although insisting on the "Buy American" provisions.

Commerce Department officials, somewhat less enthusiastic about this, nevertheless have been pressing the various states.

A legal decision is being considered in the Justice Department on whether Washington can force the states to go along.

Last year, Canada shipped about $5,250,000 worth of cement into the U. S. and some asphalt along with nearly $1 million in steel rods.

There is plenty of need for these materials in the highway program, but Canadian firms have a hard time climbing over the U. S. protectionist walls and still offer a good price.

Company Reports

Food

LOBLAW GROCETERIAS CO., Toronto, consolidated net profit of $10,044,660 in the year ended May 28, 1960, was 7.1% higher than the $9,382,749 earned in the previous fiscal year.

Canadian sales of $431,564,831 in the 1960 period were 16% above the preceding year's $372,007,546.

Sales and profits were at record highs for the 14th consecutive year.

Net profit applicable to Canadian retail operations was $8,372,147, or 1.94% of sales, President George C. Metcalf says.

CONSOL. INCOME ACCOUNT:

Years Ended:	May 28 1960 $	May 30 1959 $
Gross sales*	431,564,831	372,007,546
Net earnings	32,360,254	30,984,338
Less: Deprec.	8,154,630	7,811,198
Debent. int.	2,191,010	2,268,271
Other int.	796,756	551,441
Inc. tax res.	8,537,161	8,296,263
Subs. inc. prior to acq.	352,996	717,919
Min. int.	2,283,041	1,954,497
Net profit	10,044,660	9,382,749
Less: 1st Pf. A divs.	970,777	982,786
1st Pf. B divs.	530,888	402,000
2nd Pf. divs.	961,321	950,195
Com. divs.	1,097,928	1,085,220
Surplus for year	6,483,746	5,962,548

*Candn. retail sales only.
†Includes accts. of Loblaw Inc.

Times Debenture Interest Earned:*		
Before deprec.	14.41	13.42
After deprec.	10.(8)	9.97

*After deducting other interest.

Earnings per Share and Dividend Record:		
1st Pref.	$10.29	$9.51
A Pref.: Paid	1.50	1.50
B Pref.: Paid	1.60	‡1.20
2nd Pref. & com.	3.96	8.39
Paid	2.16	2.13½

‡Represents 3 quarterly dividend including initial.

Shares out:		
Ser. A pf., $30 par	644,695	651,926
Ser. B pf., $30 par	331,635	335,000
Second pf., n.p.v.	445,056	445,056
Common, n.p.v.	508,300	508,300

CONDENSED CONS. BALANCE SHEET:

As at:	May 28 1960	May 30 1959
Cash & mkt. secs.	$25,171,286	$11,253,284
Accts., etc., rec.	12,484,509	9,823,557
Rec. under leasebacks	872,961	5,869,238
Inventories	75,186,096	65,493,035
Prepaid exps.	4,330,419	.....
Total curr. assets	118,045,271	92,439,914
Misc. assets	7,024,461	8,009,720
Inv. in subsid.	55,075,786	52,602,159
Fixed assets*	76,721,304	75,778,625
Total assets	256,866,822	228,830,418
Due bank	20,653,865	12,331,274
Divd. pay.†	926,338	893,742
Accts., etc., pay.	57,726,132	46,247,994
Sinking fund	2,660,408	2,578,500
Inc. tax res.	4,351,975	4,543,808
Total curr. liab.	86,318,718	66,644,768
Deferred taxes	2,277,583	1,268,313
Minority int.	21,272,878	18,501,275
Mtges. payable	721,640	872,028
Real estate res.	4,705,904	3,502,302
Funded debt	57,337,358	58,727,629
Capital stock	36,469,322	36,787,302
Contrib. surp.‡	1,732,622	1,737,296
Surplus	43,310,857	40,979,625
*After depr. of	50,315,444	41,743,767
Working capital	31,726,553	25,795,146

†Premium on First Pref. shares.
‡Includes accts. of Loblaw Inc.

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Electric Power and Equipment Report	October	15
Packaging and Merchandising Report	October	22
Food and Agriculture Report	October	29
Report on Aviation	November	5
World Travel Report	November	12
Report on Australia	November	26
Oil and Gas Report	December	3
Report on West Indies	December	10
Planning for 1961 — Business Forecast	December	17

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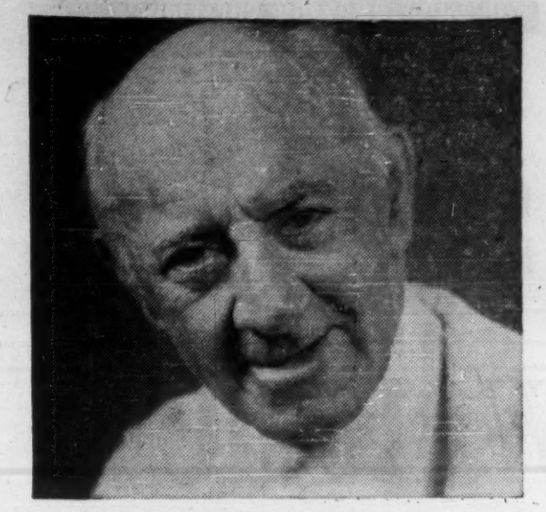
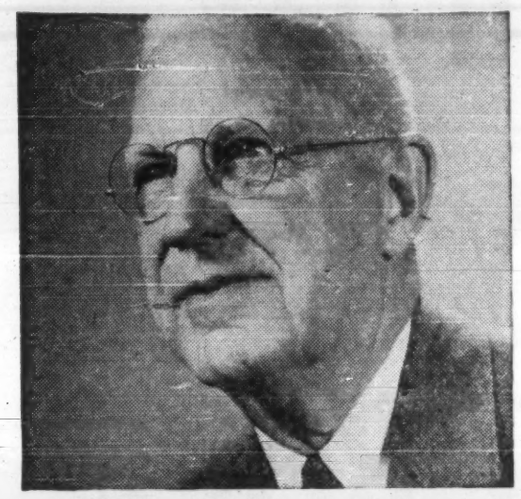


Scientists serenely



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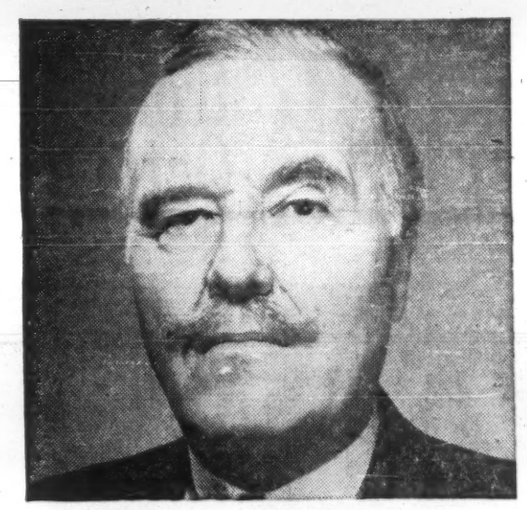

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What You Should Know About the New Europe

Emergence of trading blocs in Western Europe is shattering conventional trading patterns between Europe and the Commonwealth, including Canada. The process of change has just begun and may take new and surprising turns ...

5. European demand for imports of ores and metals likely will rise steadily in the next 10-15 years.

The Six will import more iron ore from French North Africa, but they are likely to increase purchases from Canada.

Commonwealth copper producers are assured of growing markets, but the outlook for lead and zinc is not so promising.

In aluminum, supply and demand could get out of line.

By the Intelligence Unit, The Economist, London
(Copyright for Canada The Financial Post)

The Commonwealth is a major exporter of ores and metals.

It provides a large share of the world's output of iron ore, copper, lead, zinc, tin and aluminium, to say nothing of the minor non-ferrous metals which are less important in world trade.

Apart from Canada's huge shipments to the U. S., Commonwealth producers find their biggest markets in Europe, on the Continent as well as in the U. K.

It is fortunate, therefore, that European import demand looks like rising steadily and often massively in the next 10 to 15 years, and that European economic integration will not, save in one instance (aluminium) bar the Commonwealth from securing its full share in this expanding market.

Europe's imports of iron ore, which are already rising sharply may be in the neighborhood of 70 million tons by 1970 — that is more than three times as large as they are now — for neither Britain nor the Continent can step up their output fast enough to keep pace with the growth of demand.

Trade is unaffected by tariffs since they are levied neither by Britain nor by the EEC, or rather, in this instance, the ECSC.

The Six will import more iron ore from the rich mines of French North Africa but they are likely to increase their purchases from Canada also, while Britain will certainly buy much more from Canada and Sierra Leone.

Commonwealth exporters east of the Suez Canal should find equally expansionary markets in Japan.

Commonwealth copper producers are confident of their future.

Associated with some of the leading growth industries, such as electrical engineering, they expect integration to stimulate demand for copper.

There have, in the past, been few tariffs on copper and the EEC is to impose one.

The Congo will probably remain the first source for copper for the EEC. But, by 1970 the EEC will probably need to import about one million tons of copper, and this is much more than the Congo mines can supply even when working at full capacity.

The Six will still need 600,000 tons or more from other sources in 1970.

This plus the U. K.'s requirements — perhaps 600,000 tons and those of Japan and the U. S., must mean a very healthy copper market for both the Commonwealth and other suppliers.

Since there are no duties on copper, producers have nothing to fear from European integration. They can only gain by the stimulus it gives to demand.

As far as lead is concerned producers are less confident.

Demand has risen by only about a fifth since 1939 and Commonwealth producers, already concerned with sluggish sales, tend to regard the advent of the EEC as yet another unfavorable factor, especially since the Six have in recent years absorbed 70% or 80% of the Commonwealth's exports of lead ore.

The EEC has, somewhat unexpectedly, decided not to impose any tariff on ore and scrap, and metal is to be liable to a specific tariff, equivalent to only 6% or 7% ad valorem, while certain tariff-free quotas are permitted for the moment.

Whether exports from other countries are in the long run damaged by the new tariff on metal depends on the state of world demand.

Consumption of lead covers many industries.

In some, such as batteries, it is almost indispensable, but in others (where sheet and pipe are concerned, for example) it meets competition from plastics, rubber and other metals.

As a consequence European demand may rise by no more than 25% or 35% between 1955 and 1970.

The EEC may thus need to import about 300,000 tons of lead, of which its overseas territories and associates cannot provide much more than 200,000 or possibly 250,000 tons.

The actual amount of the gap is, however, less important than the balance of world demand and supply.

It may well be that by 1970 the total demand for lead imports in older industrial countries will be as high as 1.3 or 1.4 million tons, the U. S. and Japan together requiring perhaps 800,000 tons.

Output could be rather higher, perhaps 1.4 or 1.5 million tons.

Thus whether or not there is a surplus depends on demand in the minor importing countries.

If there is a surplus, supplies outside the EEC orbit will suffer first. But, since the Commonwealth now supplies mainly ore to the Six it should suffer less than producers of metal who also lack the protected, if slowly growing, U. K. market.

Zinc prospects are much the same as those for lead.

Again ore tariffs are nil and metal tariffs are rather lower than those on lead. And again the Commonwealth has the major advantage of being a supplier of ore to the EEC and of metal to the U. K.

But zinc is likely to be in better demand than lead. It is used in galvanizing and the making of brass as well as in die-casting and while none of these uses creates a demand comparable with the demand for copper, they present more encouraging prospects than exist in the case of lead.

Consequently, demand should rise more in line with gross national product and by 1970 Europe might need 1.2 or 1.3 million tons, of which 750,000 or 850,000 tons would have to be imported.

The overseas associates of the Six provided rather more zinc than lead in 1955, and might take a greater share of EEC market by 1970. But there is less likelihood of a world surplus of zinc which would mean that zinc displaced from Europe might more easily find other markets.

Tin is almost unaffected by integration.

There have been and will be no tariffs. But demand has risen very little in recent years.

The chief reason is that tinplate consumption is increasingly being produced by the electrolytic method which involves the use of much less tin per ton of metal.

Consumption in most other uses will probably do no more than remain stable. Nonetheless, European consumption should rise from about 57,500 tons in 1955 to 70,000-75,000 tons in 1970, and that of the U. S. from 60,000 to 70,000-75,000 tons. Production may well, under the benevolent guidance of the International Tin Council, be kept in line with demand without undue difficulty.

In aluminium, on the other hand, demand and supply could get out of line.

The Six cannot even now supply all their own requirements and by 1970 they are likely to need over one million tons a year, at least twice what they can produce. Yet they have imposed a 10% tariff on aluminium.

The reason is not difficult to find.

French and Belgian Africa have major aluminium projects under way or on the stocks.

If Edeá, Kouilou, Konkouré and Inga were all fully operative by 1970 they could provide 900,000 tons of metal, half as much again as EEC import requirements at the biggest estimate.

In fact not all will reach this point, but certainly the Six might have a small export surplus by 1970.

World demand for aluminium imports in 1970 will probably be in the region of two million to 2½ million tons.

If it is assumed that French and Belgian Africa supply the Six and a little more, some 1¼ to 1¾ million tons is left for other suppliers.

Canada alone could supply this. All of this makes the Volta scheme of Ghana more difficult to implement, although it still may be carried out.

The possibility of a surplus thus exists.

Demand could in fact be high enough to absorb it easily, or aluminium could drop in price and make a fresh assault on the preserves of copper and zinc, thus making nonsense of all forecasts.

Whichever way things go the volume of Commonwealth exports of aluminium is likely to rise steeply. European integration makes the outlook less rosy, but it is still remarkably good.

On the whole, then, the damage to Commonwealth metal producers is potential rather than actual, and more depends on trends in world demand than on integration as such.

If the Six and Seven come together, the Commonwealth should gain from the boost to U. K. demand in an integrated Europe so long as duty-free access to the British market for lead, zinc and aluminium is preserved.

This is something that could be done easily enough by means of tariff-free quotas or some similar device.

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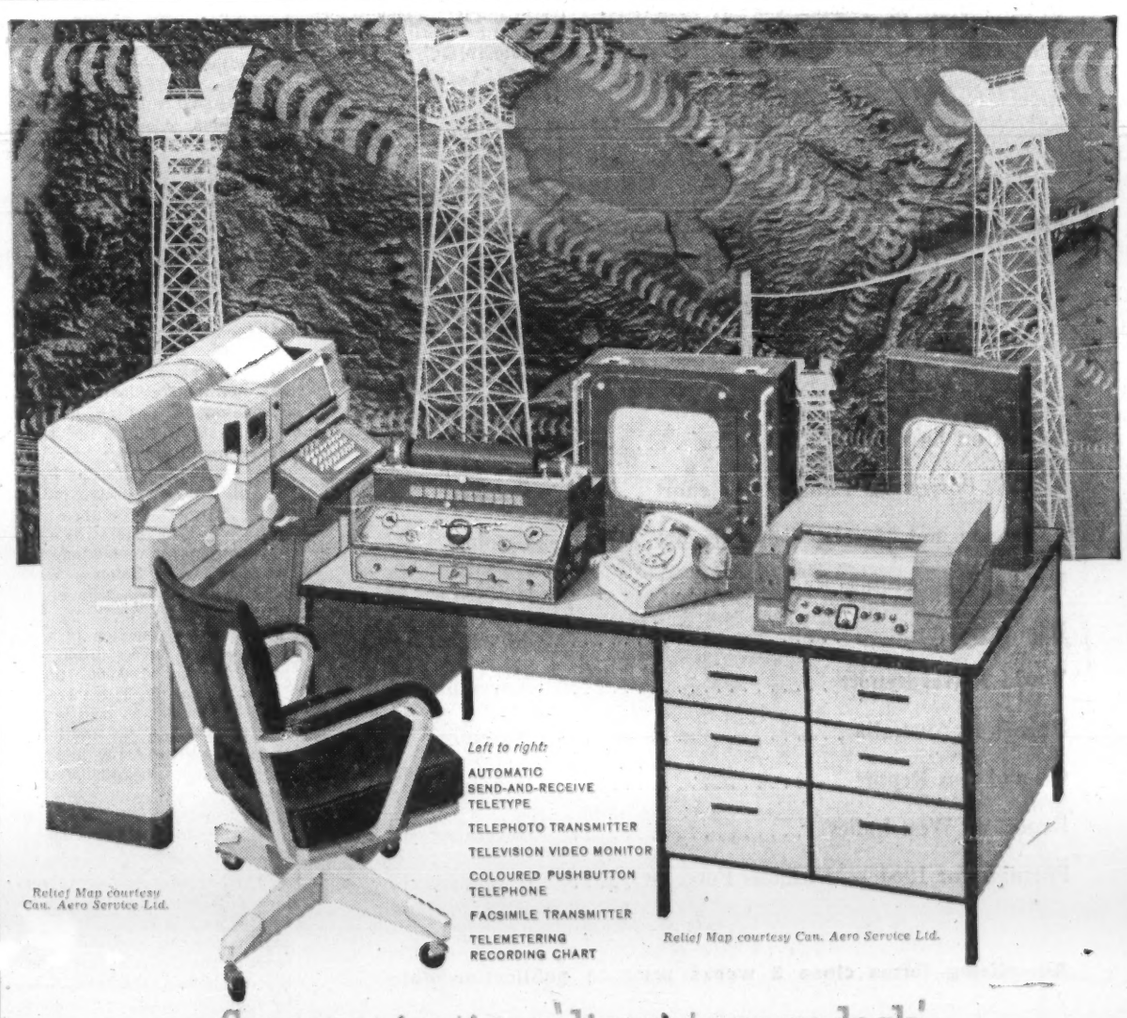

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MASSEY-FERGUSON ANNOUNCEMENT

KENNETH C. TIFFANY

The appointment of Kenneth C. Tiffany as Vice President, Finance, is announced by A. A. Thornbrough, President, Massey-Ferguson Limited.

After graduating from the University of Detroit School of Commerce and Finance, Mr. Tiffany attended the Detroit College of Law. Following experience with a bank Mr. Tiffany held executive positions with an industrial firm and with a firm of chartered accountants.

During World War II he served as Captain in the United States Army Ordnance Corps from 1942 to 1944, and from then until 1946 Mr. Tiffany was Director of Organization, Methods and Procedures for settlement of War Contracts in the executive offices of the President of the United States.

Prior to this appointment Mr. Tiffany has been in charge of the Burroughs Corporation financial operations since 1948, holding the position of Director of Finance until 1949 when he was appointed Vice President in Charge of Finance. In 1958 he was elected a Member of the Board of Directors of the Corporation.

Mr. Tiffany is well known in financial circles throughout the world as a result of his success in developing new solutions to corporate investment and other financial problems related to international business.

Natural Gas

SALES
(Millions cu. ft.)

Year	Residential	Commercial	Industrial	Total
1957	61,238	30,979	75,383	168,783
1958	77,224	37,820	92,575	207,713
1959	97,647	43,315	137,774	278,849
1960 (est.)	119,890	54,065	166,960	336,915
CUSTOMERS ('000)				
1957	590	51	4	646
1958	953	74	6	1,033
1959	979	78	6	1,063
1960 (in June)	1,040	88	7	1,135
REVENUES ($'000)				
1957	49,316	15,346	17,904	83,164
1958	67,573	20,992	24,970	114,946
1959	91,191	27,109	41,287	159,628
1960 (6 mos.)	66,295	20,658	25,789	112,771

*Miscellaneous sales and revenues account for the totals shown in last column.

Compiled by the Statistical Department, Canadian Gas Association.

Gas Sales UP 20%, Users Increase 8%

Natural gas sales in Canada will rise 20.8% this year over 1959, according to the Canadian Gas Association.

Actual figures for the first half of the year were up 20% from the same period last year.

Utility companies sold 183 billion cu. ft., compared to 152 billion for the first six months of 1959.

Residential sales jumped 11 billion cu. ft. to 71 billion cu. ft.; commercial, six billion to 31 billion; and industrial, 14 billion to 79 billion.

There was no marked difference in the ratio between categories over 1959.

Residential sales accounted for 39% of the total, industrial 44%, and commercial 17%.

A projection by the Gas Association raised gas sales to a total of 336 billion cu. ft. for the full year 1960, compared to 278 billion cu. ft. sold in 1959.

The 1960 figure breaks down to 115 billion cu. ft. of residential sales; 54 billion commercial; and 166 billion industrial.

Alberta consumed most gas in the first half of 1960 — 44% of total. Next came Ontario—32%. However, Ontario leads in residential sales — 39%, where Alberta accounts for 35%.

On an average, Canadian residential consumers used 69 mcf of natural gas in the first six month of 1960 and paid 93c per mcf.

As expected, the lower the gas rate, the higher the per customer consumption. For example, Alberta consumption was 137 mcf per residential customer and the rate equalled approximately 46c. In Ontario, the rate was $1.25 and the consumption 63 mcf.

During the first half of 1959 average residential sale of natural gas amounted to 63.5 mcf. In the same period for 1960 it rose by almost 9%.

The number of natural gas customers in Canada continued to grow. There were 1.14 million in June 1960 — an increase of 8% over June last year.

Greatest number of new customers, 32,000, was added in Ontario. But Manitoba shows the greatest percentage growth —52% higher than last year.

The 1.14 million customers are made up as follows: Residential, 1,040,000; commercial, 88,000; and industrial, 7,000.

The industrial customers used more gas than the one million residential customers whose gas went for heating, cooking, water-heating and so on.

Canadians paid $113 million for their gas in the first six months of 1960. This was 27.5% more than last year, while total consumption increased by 20%.

The greater increase in revenues, more than $24 million, do not derive from higher gas rates, but from increased sales in those provinces where the revenue per mcf was higher than the Canadian average, the Canadian Gas Association says.

Ontario accounted for almost 51% of the total amount spent on gas; Alberta 21% and British Columbia 11%.

Biggest spenders were the residential customers, who accounted for 59%. Industrial customers paid 23% and commercial 18%.

Quebec Chamber To Study Trade

MONTREAL (Staff) — Protectionism vs. free-trade will be the theme at the annual meeting of the Province of Quebec Chamber of Commerce at Quebec City Oct. 13-15.

Widespread difficulties facing such sectors of Quebec industry as textiles and rubber footwear, particularly vulnerable to foreign competition, prompted the theme.

Highlight will be a panel discussion on Friday, Oct. 14. Taking part will be Francois Cleyn, president, **Spinners Ltd.**; Robert Clark, **Consolidated Paper Co.**; Jacques Parizeau, Montreal economist; and Maurice Lamontagne, parliamentary assistant to Lester B. Pearson.

HEADS STORAGE FIRM

From Our Own Correspondent

SAINT JOHN — J. R. Strother has been re-elected president of **New Brunswick Cold Storage Co.** He is general manager of eastern region operations for the **Canadian Pacific Railway.**

Profit Rises For Canadian Print Firms

From Our Own Correspondent

WINNIPEG — Profits are rising in Canada's printing industry, according to a report made to the annual convention of the Graphic Arts Industries Association held here last week.

Don Sommer, secretary of the master printers section, Printing Industry of America Inc., made the prediction based on a survey of 50 Canadian plants.

There were possible obstacles but, on the bright side, the industry was able to report that for the first time in 12 years the downward trend in printing profits appeared to have been checked.

Even though there was a profit increase last year there were warnings that the margin was less than it should be for safe operation in relation to volume of sales.

Convention theme was "Management Under New Pressures", and speakers dealt with such subjects as rising costs, demands on management skills, employee relations, foreign competition, and technological changes.

George Laverdure, industrial relations consultant and labor negotiator for the Montreal printing industry, pin-pointed labor contract clauses which should be added, amended, rejected, or changed in printing industry contracts.

There were often local reasons, he said, which forced employers to accept certain clauses which didn't exist elsewhere. There were special circumstances which could burden an employer against his will with conditions neither side really wanted.

In many contracts there had been unfortunate neglect of the "management rights clause".

It didn't even appear in most contracts and, when it did, it nearly always was weak and practically canceled out by concessions to unions in subsequent paragraphs.

It was often taken for granted that management represented owners of the enterprise. Being responsible for directing its operations, it was assumed that it had the rights normally derived from these functions.

The result was that unions gradually invaded the exclusive field of management and had met with little resistance in the process.

Other key speakers: Kenneth J. Farthing, general advertising manager, **Canadian Westinghouse Co.**; D. Harry Young, prairie division manager, Canadian Manufacturers Association; Hyman Safran, **Safran Printing Co.**, Detroit; Marsh Jeanneret, director, **University of Toronto Press.**

G. S. N. Gostling, Niagara Falls, Ont., was re-elected president.

Vice-presidents: Pierre Begin, Montreal; T. A. Comfort, Edmonton; W. D. Hurley, Brantford; C. C. Hyatt, Vancouver; Georges Laflamme, Quebec; G. H. Love, Toronto; J. T. McLellan, Winnipeg.

Manitoba Plants Million Seedlings

From Our Own Correspondent

WINNIPEG—Manitoba's forestry branch this year planted 1,150,000 seedling trees in its rehabilitation program aiming for annual placement of 10 million by 1970.

Supplies have been increased to assure planting of 1.5 million in 1961.

The rehabilitation program is designed for a 25-year period, the estimated interval before there can be any worth while cut above present levels.

Braille Phone Books, Maps, Gift to Blind

Two gifts from Canadian businesses are making life a little easier for the blind:

- **Bell Telephone Co. of Canada** gave the Canadian National Institute of the Blind some 3,500 copies of a special "blue book" of telephone numbers.

The blind can write in Braille in the book the names and telephone numbers they frequently call.

- **Gestetner (Canada) Ltd.** provided the Institute with a stencil duplicator for making Braille maps.

The telephone books, 1,500 in English and 2,000 in French, have proved so popular that within a few days some centres ran out of them.

The pocket-size books are loose leaf, containing about 25 pages of special stiff paper. The blind, using a stylus and Braille slate, can write names, addresses and telephone numbers on the sheets, about three to a page.

The idea originated with Bell's assistant historian in Montreal, Arthur J. Gosselin. It struck him while doing some volunteer brailling for the Quebec division of the CNIB.

The Gestetner machine has already been used to make a map of the Toronto Metropolitan area street-car, bus and subway routes.

All routes are traced in raised black lines and street names printed in Braille dots. A Braille legend provides a key to the map.

Blind persons say the map already is giving them greater independence in traveling about the city.

The process was also used to map an 18-hole golf course in Niagara Park for an international golf match this month. Blind Canadian and U. S. golfers were each given a raised-line plan of the course layout, with all bunkers and other hazards.

The maps and sighted coaches made the tournament possible.

The CNIB sees many other possibilities for the maps, such as tracing the route for a blind person from his home to his office or plant, or mapping the plant itself.

"The new map will enable the employee to trace his course for himself, memorize it quickly, and gain confidence in his own mobility even before we make the first trip," says Hugh Russel, a CNIB employment officer.

The maps are first cut on a stencil, then duplicated with a special ink. The inked sheet is dusted with a powder which adheres to the inked lines or dots, and is then permanently fused by heat.

The maps have been drawn up by a sighted volunteer braillist, Mrs. C. S. Smith.

The process is also being used to teach perspective to blind artists learning ceramics and to provide blind householders with raised-line diagrams for simple electric repairs in the home.

Air Conditioner Sales up in '60 Despite Weather

A soaring trend of air conditioner sales has skidded into a reversal as a result of unusually moderate summer weather this year.

But the momentum built up from last year was enough to almost ensure a record for 1960.

Dealers estimate gains in the 10%-25% range for the year.

- **Shipments of suppliers** ranged 25% to 90% higher over the first six months this year.
- **Nearly all types** of air conditioning and refrigeration equipment had gains, paced by a 91% rise in room air conditioners, 46% in non-self-contained units, 30% in packaged, self-contained types.

But a cooler-than-usual summer slowed down the pace of retail sales, dealers say. It will affect the inventory situation in the off-season.

Stratford Plans Longer Season

While Administrative Director Vic Polley finished counting the record 1960 box-office take, Stratford Shakespearean Festival Artistic Director this week announced major portion of casting for the extended 1961 season.

Next year's attractions, beginning June 19 and ending Sept. 23, are Coriolanus, Love's Labour's Lost, and Henry VIII, plus a new Canadian play, To the Canvas Barricade.

Major roles have been assigned to many leading players of the 1960 season — Kate Reid, Douglas Rain, Bruno Gerussi, Jack Creley, Leo Ciceri and others — and to a Festival newcomer, Canadian John Colicos.

This year, 207,000 persons saw the Festival's three plays, paying $683,000.

Musical attractions drew audiences totaling 37,500, and revenues of $107,000. Attendance was 93% and 79%, respectively, of capacity.

All performances during the Festival's final week, ended Sept. 17, were sold out.

What's it like to buy stocks?

Maybe you've never bought any before — and wonder.

Where do you start, how do you begin?

Well, if you like to know the people you deal with, you'll probably want to start right in our office.

When you come in, the first person you see will simply ask if he can help — probably direct you to our manager. Or, if he's not free, you'll be introduced to one of our account executives. These are the men we pay to know all they can about stocks and bonds . . . to give you all the assistance you need when it comes to planning an investment program.

So, if you're brand new to stocks and bonds, he'll want to know something about your over-all circumstances, and why you want to invest. He may even raise the question whether or not you prudently should.

Then chances are, he'll talk to you about the different kinds of stocks that seem to fit your situation — the risks and rewards that are likely to go hand-in-hand with owning them.

At this point, if you want to, you can open an account and buy stock simply by giving the account executive your order.

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There's no charge for this extra service, of course, and you're not obligated in any way whether you become a Merrill Lynch customer — or don't.

Meanwhile, if you'd like to know more about investing *before* you come in, just ask for our pamphlet *"What Everybody Ought To Know About This Stock And Bond Business."*

It's easy to read, easy to understand, and sticks to the plainest English possible to give you the facts you want.

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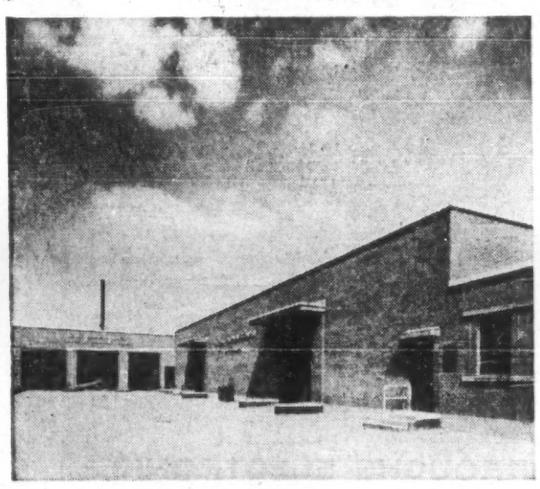
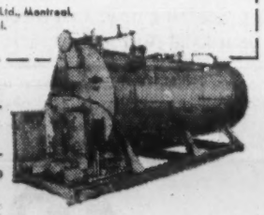


PACKAGED POWER* VOLCANO

BELL TELEPHONE WORK CENTRE
Montreal, Que.

This is one of many Bell buildings heated by Volcano equipment. Equipped to service 100 Bell motor vehicles, it is heated by a 100 HP Volcano Starfire automatic hot water boiler.

Architect: Meadowcroft & MacKay, Montreal.
Consulting Engineer: T. G. Anglin Engineering Co. Ltd., Montreal.
General Contractor: Ross & Anglin Ltd., Montreal.
Heating Contractor: Tweddle Limited, Montreal.



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Our Oil Exports to U.S. Increase at Snail's Pace

From Our Own Correspondent

WASHINGTON—Canadian oil exports to the U. S. are nudging close to a 120,000 barrels a day level.

This is far short of the 170,000 b/d that we were shipping into the U. S. during the Suez crisis, but far more than we did after that.

"Looking at market conditions in the U. S., we're not doing badly at all with this export rate. And it's improving all the time, little by little," one official told **FP.**

See also p. 25.

More Canadian oil goes into the U. S. Upper Midwest than goes into the West Coast. Roughly 65,600 b/d as against 53,800 b/d.

At one point, the West Coast region was the main export area for Canadian oilmen, but it has been slipping behind the Midwest.

Some Canadian industry and government officials, thinking of the Borden Commission's 700,000 b/d production target for the end of this year, feel the present nearly 120,000 b/d export rate to the U. S. is not high enough.

Canadian oil, however, meets stiff price competition in the U. S., especially in the West Coast area.

The outlook for next year is cloudy at this stage.

Certainly U. S. officials do not think there will be any big increase in Canadian oil exports into the U. S. market. If anything, they think it will remain about the present level, possibly creeping ahead slightly.

Elect Officers Of C.A. Institute

The 9,200-member Canadian Institute of Chartered Accountants has elected G. W. Hudson, of Moncton, and J. W. Abbott, of Winnipeg, as first and second vice-presidents.

Regional representatives:

D. L. Johnston of Vancouver, T. Earl Hickey of Summerside, P.E.I., and Howard I. Ross of Montreal.

D. A. Ampleford of Toronto is treasurer.

The institute will be headed in the next year by John Alexander Wilson of Toronto as president (**FP**, Sept. 17).

N.S. Loggers Buy Horses from West

From Our Own Correspondent

EDMONTON — At Lacombe, Alta., 80 mi. south of here, Jack Harvie is still making money on the fast-disappearing heavy horse.

Harvie, who is well known at Alberta sales, ships horses to Nova Scotia.

The horses are sold at Middleton, N.S., and used mostly for logging.

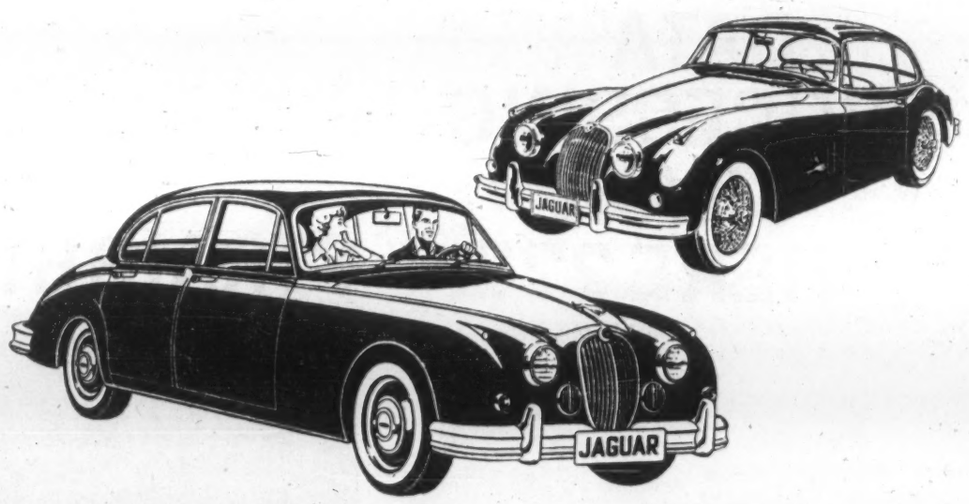
This fall he expects to have shipped 200 head, using both main rail lines.

In his trips around the province he stays clear of any animal not hitting at least the 1,600 lb. mark.

CCA TOUR

Jack M. Soules, president, and other officers of Canadian Construction Association, will make a nine-day, six-city tour of Eastern Canada, starting Sept. 26.

COMPARE JAGUAR!



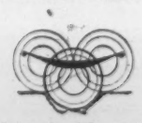
The 3.8 Sedan (foreground) — the remarkable sedan that behaves like a sports car. Seats five passengers; famous XK engine delivers 120 mph; occasional tables in rear seating area; cabinet walnut appointments.

The XK-150 Coupe (background) — perfect prescription for the fine car fancier with sports car fever. Immensely powerful, superbly maneuverable. Available in both coupe or convertible.

All Jaguar models feature these remarkable advantages!

Famous XK engine — the power plant that's been race-tested the world over! Twin overhead camshafts, cylinder head of high tensile aluminum alloy.

Dunlop 4-Wheel Disc Brakes—power assisted, self adjusting; first used on aircraft, then on Jaguar racing cars. Safe, sure stops under all road conditions.



Level-ride suspension — balanced system maintains even weight distribution; actually "pulls back" on ruts and humps to hold an even keel.

Sports car steering — quick, responsive and alive; at home on the twists and curves of a mountain road as well as within the heavy traffic of a city.

Glove leather upholstery — highest quality British leather, hand-fitted over foam rubber to provide utmost in comfort and luxury for passengers.

SEE YOUR JAGUAR DEALER

MRS. ANDREW EISENHAUER (left), who dreamed up the Lunenburg cook book idea, and Mrs. Ray Lohnes, who handles book sales.

Cook Book Makes 'Bestseller List'

"Dutch Oven", a cook book of "coveted traditional recipes from the kitchens of Lunenburg", has sold 28,000 copies since 1953, earned more than $30,000 for the Ladies Auxiliary of the Fishermen's Memorial Hospital of Lunenburg, N.S.

All of the money has been used to help support the hospital. Orders have come from all over Canada and the U. S.

By ROY K. COOKE

LUNENBURG, N.S. — The experts say that any Canadian book that sells 10,000 copies in Canada is a bestseller.

Down east, in Lunenburg, N.S., a group of women, since 1953, has sold 28,000 copies of a cook book composed of local recipes.

"Dutch Oven" is the property of the Ladies Auxiliary of the Fishermen's Memorial Hospital.

In seven years the cook book has earned over $30,000 for the hospital.

Idea for the publication came from Josephine Eisenhauer, blonde wife of Andrew Eisenhauer, manager of **Atlantic Bridge Co.**

"At first I was thinking more of a pamphlet that would sell for 25c or 50c and the idea just kept developing," Mrs. Eisenhauer says.

Businessmen husbands of the group vetoed the idea from the start as a money making project. Pantry sales, teas were fine — but printing a book . . . never.

Against this opposition, and perhaps with a woman's intuition, the project went ahead.

It made its first appearance in 1953 when Lunenburg celebrated its bicentennial.

Only professional touch is art work donated by Philip Backman, a Lunenburg native and head of **Backman Advertising Ltd.**, of Halifax and a front cover by artist Earl Bailley.

Otherwise the women were on their own.

There are 346 pages of local recipes such as fish and potatoes, sauerkraut and Soloman Gundy (pickled herring).

Engravings were made of actual handwriting of each donor and are signed.

The women expected that 3,000 copies might be sold during the celebration year and that it would be a one-shot effort.

Instead mail orders come from all over the U. S. and Canada.

The Progress-Enterprise, the local weekly that does the printing, was constantly behind in orders for about two years.

Sales are down somewhat from the peak but are steady.

About 28,000 copies have been sold. It is now in its sixth 5,000-copy edition.

Original price was $2.50 but has been increased to $3.50 to allow for commissions to stores.

At various times over 200 stores have sold the book including **Marshall Field's** in Chicago. Best selling city is Halifax.

The Fishermen's Memorial Hospital, completed in 1952 cost about $440,000, serves a population of about 2,900. Capacity of 31 beds, 11 cubicles is expected to be doubled by 1963.

In 10 years the auxiliary has cleared about $90,000, all of it donated to the hospital.

Next big project:

$2,000 to pay for a new elevator when a second-story ward is built in 1961.

There isn't a man in Lunenburg who says the women can't do it.

Apartment Rents Hold Firm Vacancy Rates Near Normal

By FORBES GILBERTSON

Except for a few soft spots, the vacancy rate in apartments across Canada is running at a normal rate and rents generally are holding firm.

In specific areas of some cities, landlords are offering free rent for from one to three months to lure prospects into signing leases but there's no general trend to use of "gimmicks" to fill units.

Some older apartment blocks, dragging their feet last year in rentals because of competing new blocks, have taken up the slack through modernization, redecorating, and better service.

While housebuilding has fallen off drastically this year, apartment building has shown a substantially lesser decline — about 15,672 unit starts compared with 18,905 last year for a comparable seven-month period.

Rental apartment construction in 1960 consequently will represent a much higher proportion of total housing starts this year than 1959.

FP's spot check of some major centres shows:

• **Ottawa:** Vacancy rate running at a normal 5% and rents holding firm, about $115-$125 for a one-bedroom suite in city's centre, from $130 up for a two-bedroom, from $92.50 for a bachelor. Suburban units range from $5-$7 less.

• **Windsor:** Vacancy rate 10%, with plenty of "for-rent" signs out. Landlords are reducing rents, offering better service, but not yet offering free rent or other bait. While one new luxury block has suites starting at $160, ordinary apartments rent at $75-$85 for one bedroom, down from $95-$100 some time ago, and two bedrooms from $115, down from $125.

• **London:** Vacancy rate is increasing but rents are holding at around $125-$150 for a two-bedroom suite in larger apartment blocks, about $105 in smaller, four, six and eight-unit blocks.

• **Toronto:** There's no general softening in rents here and vacancy rate is a normal 5%. Older blocks, with empty suites last spring, have won tenants by improving condition, redecorating and, in specific buildings in some areas, cutting rent slightly, offering one month's free rent or free garage space. But it's not a general trend. Bachelors go at $100-$125 and up, one-bedroom, $100 and up, two-bedrooms, $120 and up.

• **Montreal:** Over-all vacancy rate is about 5% but in specific areas it runs from 15%-20%. Feeling is that vacancies are going to become a greater problem. New projects are running from 5%-10% vacant. Free rent for two to three months is fairly common but there's no over-all rent reduction in the metro area.

• **Winnipeg:** Some increase in new vacant apartments here but, again, the apartment construction is holding up well, suggesting that a good absorption rate is being maintained.

• **Hamilton:** Vacancy rate is normal and new blocks fill rapidly. Rents are holding at $75-$100 generally for a one-bedroom, slightly higher in new buildings, with two-bedrooms going at $90-$110.

Flemingdon Park Adds More Land

Some 75 acres of additional land have been added to the Flemingdon Park development in Metro Toronto.

Move completes integration of the park as an industrial, commercial and residential development comprising some 600 acres.

Realtors **Andrew Cherkas & Co.** and **R. G. Walton Ltd.**, sold the land to **Whitehaven Realty Ltd.**, which in turn commissioned **Toronto Industrial Leaseholds** to develop the land as part of the Flemingdon Park project, now under construction.

Land is located between Eglinton Ave., Don Mills Rd., and Don Valley Parkway.

Cherkas has been co-ordinating the marketing of the office campus of Flemingdon Park, which lies across the road, on the south side of Eglinton Ave.

Already building there: head office of Ontario Hospitals Association and subsidiary Blue Cross.

Presbyterian Church of Canada has optioned a substantial site for erection of its new administrative offices.

C.C.H. Canadian Ltd., law book publisher, has bought a five-acre site for its Canadian operation.

Canadian Ingersoll Rand Ltd., and **Marchant Calculators Ltd.**, are also negotiating purchase of land for their operations including executive and sales offices.

Oxford University Press has optioned a four-acre site for rehousing of operations now on University Ave.

Negotiations are under way with several other major firms.

Illustrated by Wes Chapman

Young Guglielmo Marconi was not being frivolous when he flew a kite 400 feet high at cold and damp Signal Hill, Newfoundland, on the morning of Dec. 12, 1901. The kite supported an aerial which enabled him to receive the first wireless message across the Atlantic from England, and launch a new era in communications.

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Progress — the successful result of somebody's search for a better answer. In 1901 it was the introduction of wireless telegraphy. In modern construction it is the Package Plan, as introduced in Canada by our founder, the late Finley W. McLachlan.

He built a service which offers Canadian industry a single, responsible source for every phase of a construction project, from preliminary discussion to a finished building. Site selection, architectural and engineering design, cost estimates, construction, financing and leaseback — the McLachlan Package Plan is tailored to your every need.

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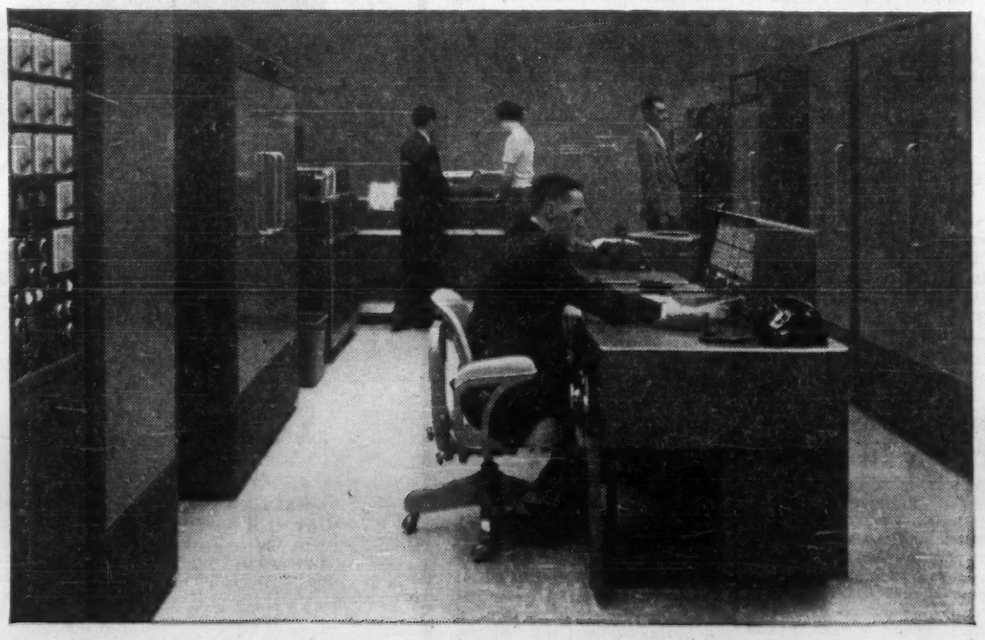

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Get all the benefits of computer accounting and data processing now. Just reach for the phone and call your local Burroughs office.

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Burroughs

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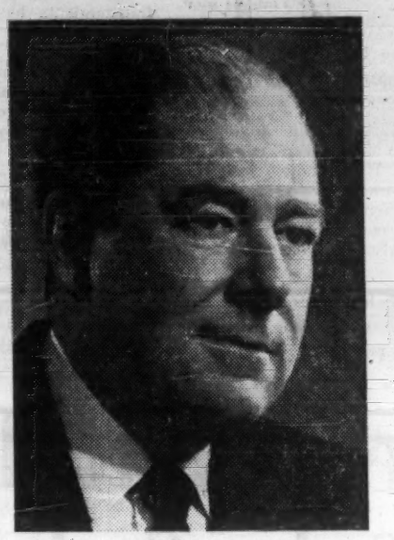
The Financial Post

Vol. LIV | Member of Audit Bureau of Circulations | Publication Office: Toronto, September 24, 1960 | Twenty-five Cents an issue, Eight Dollars a Year | No. 39

How the majors view it:

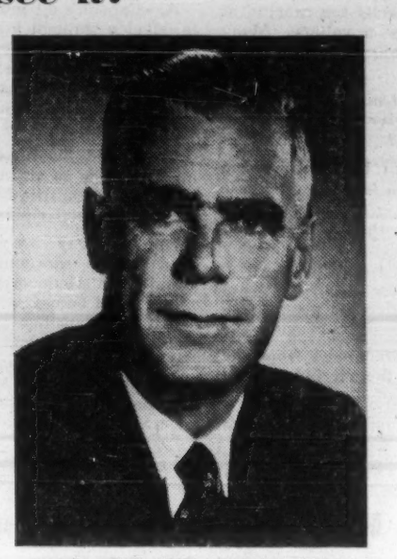
W. O. TWAITS, president, Imperial Oil:
"It is important to remember that because of the resulting loss of exports and other factors, pre-empting Montreal for Canadian crude would not provide added outlet for more than 10%-15% of existing shut-in capacity. No public project can make Canadian crude competitive with imports at Montreal. Therefore the price to the consumer must go up, the price to the producer must go down, or the taxpayer must bridge the gap of 30c, and more, per barrel with subsidies."



E. D. LOUGHNEY, president, British American Oil Co.:
"The National Energy Board should be alert to any action that might stifle the growth of Canada's oil and gas industries. Any stifling action would drive capital away, severely damaging not only their futures, but Canada as a whole. This has been experienced in countries where regulations and restrictions in the guise of 'national policy' had only the effect of discouraging further development."

How independents see it:

R. A. BROWN, Jr., president, Home Oil:
"Our oil has been kept out of export markets, despite its lower price, by the policies of the international companies. Short of compulsion by the Canadian government, there is no evidence that the international companies will take any worthwhile action to find important permanent new export outlets for Canadian oil. It is in the interest of Canada to develop its own petroleum resources as quickly as possible as an essential part of a steadily expanding economy. Because of our huge trade deficit, we require export markets. We require Canadian markets even more."



CHARLES S. LEE, president, Western Decalta Petroleum Ltd.:
"I have the gravest doubts as to the permanence and stability of marketing Canadian crude in the U. S. and share the view, with others, that Montreal is still the primary market for Western Canada oil. Canada's current policy of unlimited imports of offshore crude is the direct antithesis of the U. S. policy of import quotas. In fact, in any design for a continental oil policy, the U. S. is bound to regard the unrestricted flow or dumping of offshore crude into Montreal as a complete leakage in any continental quota system."

THE BIG CANADIAN OIL FIGHT comes to blows soon. The National Energy Board will have its report on a national oil policy ready by the end of this month. So . . .

Here's What You Must Know to Understand It

By NORTON ANDERSON
and W. L. DACK

Canada's government soon must decide on a basic economic policy: Should our oil industry be national or continental?

Should rigid government controls be used to preserve Canadian markets for Canadian crude?

This decision will be as important to your future as the decisions that must be made shortly about the fate of our secondary industries.

When the oil decision comes, you're going to hear violent arguments and howls from oil companies and provincial governments. Whatever is decided, there will be a battle.

Here's a special FP report on the facts that every Canadian should know before the battle begins.

The problem . . .

The National Energy Board, called upon to do a hurry-up study of the whole Western Canada oil marketing situation, is readying its report for the government. It's expected by the end of this month.

There are two sharply, bitterly divided camps among Western Canada's oil producers — the major oil companies with international affiliations, and the Canadian independents. Both have bombarded the board with violently conflicting viewpoints.

Neither side likes the present Canadian market picture, a disappointing market growth that has meant continued rigid restriction on production in Alberta. At the moment, the Alberta wells are running at about 40% of potential. For Western Canada as a whole, the figure is about 50%.

But here is the crux of the problem:

Despite its great crude oil reserves, Canada is still a big importer of crude. So . . .

Should Canada take a continental or a national approach?

Should we have a $350 million, big-inch oil pipeline stretching 2,000 mi. from Edmonton to Montreal to supply a 75 million bbl. market annually, now being supplied by imported crude?

At the current rate of production in this country (around 200 million bbl. a year), a Montreal outlet could theoretically provide about a 40% increase in Canadian consumption of Canadian crude.

What kind of an import and export control system would the government have to institute?

Here are answers to questions posed by FP to leaders of the feuding factions about a complex controversy:

How the big companies answer . . .

Q. What are the major Canadian oil companies with foreign affiliations?

A.—They are six Canadian oil companies with Montreal refineries. Share control of all of them is held, directly or indirectly, by international oil companies:

Imperial Oil. (W. O. Twaits, president) by Standard Oil of New Jersey.

British American. (E. D. Loughney, president) by Gulf Oil Corp.

Shell Oil of Canada. (W. M. V. Ash, president) by the Royal Dutch-Shell Group.

Texaco Canada. (A. N. Lilley, president) by Texaco Inc.

Canadian Petrofina. (A. F. Campo, president) by Petrofina, S. A.

BP Refinery Canada. (A. F. Down, president) by the British Petroleum Group, through the British Petroleum Co. of Canada.

Q.—Canadian independent oil producers claim the big companies control huge globs of world oil reserves. What do they control?

A.—They directly or indirectly control large reserves in the Middle East (with the exception of Petrofina, S. A.).

They control substantial reserves in the Caribbean (except British Petroleum Group).

Standard Oil, Gulf, Royal Dutch-Shell and Texaco have an estimated 87% interest in total Venezuela crude oil production. (Venezuela produces about one billion bbl. of oil a year — probable reserves are estimated between 70 to 100 billion bbl.)

Q.—What about Canada?

A.—They control more than 80% of Canadian oil refining capacity.

These companies produce about 45% of Canadian crude.

They have rights covering more than one-half of the proved crude oil reserves in Western Canada. Some of them have large investments in both the Interprovincial and Trans Mountain pipeline systems.

They are sole owners of the Portland-Montreal oil pipeline. This line brings foreign crude into Quebec.

Trans-Northern products pipeline is owned by BA, Texaco and Shell (Petrofina makes shipments through it). This line feeds the Toronto-Hamilton area from Montreal with products refined from imported crude.

Q.—What is the basic issue?

A.—The major oil companies contend that Canada's big future market outlet for surplus oil is basically the U. S. — West Coast, mid-continent and Detroit area.

Independent oil producers and western oil-producing provinces want Ottawa to stop the flow of imported crude into Quebec and force Montreal refineries to use Western Canada oil. To get the oil to Montreal, either the government or a private company would have to build the 2,000-mile pipeline.

The major companies say the whole scheme is unsound — that it is instigated by Calgary and U. S. oil millionaires out for a fast buck.

Q.—Does this mean the major companies are opposed to greater use of Canadian crude in Canada?

A.—Certainly not, they say. The oil industry has expanded at a phenomenal pace in this country. What do the independents expect anyway? Last year Canadian production was up 11.5% and it looks like a further jump of 5-8% this year.

It boils down to economics. Based on present world prices for crude — subject to further reductions at any time because of large surplus — western oil can't compete in Montreal.

They believe Western Canada crude will cost from 23 to 39c a bbl. more than imported crude. It depends upon what kind of crude the refineries need for their markets.

Q.—Surely there would be no objection from the majors if somebody built an Alberta-Montreal oil pipeline to go after the 75 million bbl. market there?

A.—Absolutely no objection, as long as there wasn't a "hooker" in the deal.

Q—What would that be?

A.—Montreal refineries would be required to guarantee a Quebec market for the western oil before anyone is going to build a pipeline.

If anyone will deliver Alberta crude oil into Montreal at competitive prices, without artificial props or guarantees and in the climate of freedom on which the industry was built, then the majors say certainly they will buy it.

But they don't want to be forced into guarantees to take western crude, regardless of the price being competitive with imported crude. If they are to be forced to use higher priced Canadian crude, they claim someone is going to suffer.

Quebec purchasers would be forced to pay more for oil products. This would be an explosive political issue in Quebec.

Q.—But this Quebec market is big. Don't they think it's a mistake to let more than 90 million bbl. of imported oil into Quebec each year?

A.—Let's get the facts straight, the majors say. It's not a 90-million-bbl. proposition. First, Montreal refiners send up to 30 million bbl. into the Toronto-Hamilton area in the form of refined products through the Trans-Northern pipeline.

Q.—Is it a 60-million bbl. market then?

A.—No. If the government intervened to force use of western crude in Quebec, there would be big losses of export markets in Ontario.

It works by a system of "swaps".

Imperial Oil buys from Socony at Montreal about nine million bbl. of crude. This is imported oil.

Socony's affiliate, General Petroleum, takes nine million bbl. of crude from Imperial Oil into Puget Sound on the U. S. West coast. This is Western Canada oil carried through Trans Mountain Oil Pipe Line Co.

Other Montreal refiners are taking foreign crude into Montreal, are selling Canadian crude into Puget Sound, Toledo-Detroit area.

Say the majors: Force us to use Canadian crude in Montreal and up to 30 million bbl. of western crude being sold on swaps will disappear.

Q.—What about the 30 million bbl. of refined oil products coming into Ontario from Quebec? And the four million bbl. of crude imported into Ontario? Can't prairie oil be used?

A.—Yes. This is the most obvious first step. We have a pipeline from the west into Ontario. Because of the limitations of existing refining facilities, it is doubtful whether Ontario refiners in 1961 could supply more than 11 million bbl. of this potential market from displacement of products transferred from Quebec.

Also, individual companies must decide if the switches will be profitable.

Q.—If you don't hold out hope for a big increase of western oil use in Canada — even asuming that Ottawa lays down a system of import-export controls — what then?

A.—The majors believe exports to the U. S. will grow at a rapid pace in a few years. Canada should be patient. The oil industry, as a whole, is thriving. It will pay us to wait. First movement into an entirely new U. S. market is starting — from Sarnia into the Toledo-Detroit area.

Q.—There is a world surplus of crude oil; what can we do to increase sales of Canadian oil abroad?

A.—Canada has large reserves of crude. They are not located near tidewater, but are "landlocked" in Western Canada. This crude must move long distances overland to reach markets. Costs of exploration, development and production of crude oil in Canada are, on the average, higher than Venezuela and the Middle East.

The combination of these circumstances puts Canadian crude at a disadvantage in world markets.

In the face of this world picture and increasingly aggressive marketing bids by foreign oil, Canadian oil producers should be doing everything they can to become more efficient, lower cost producers.

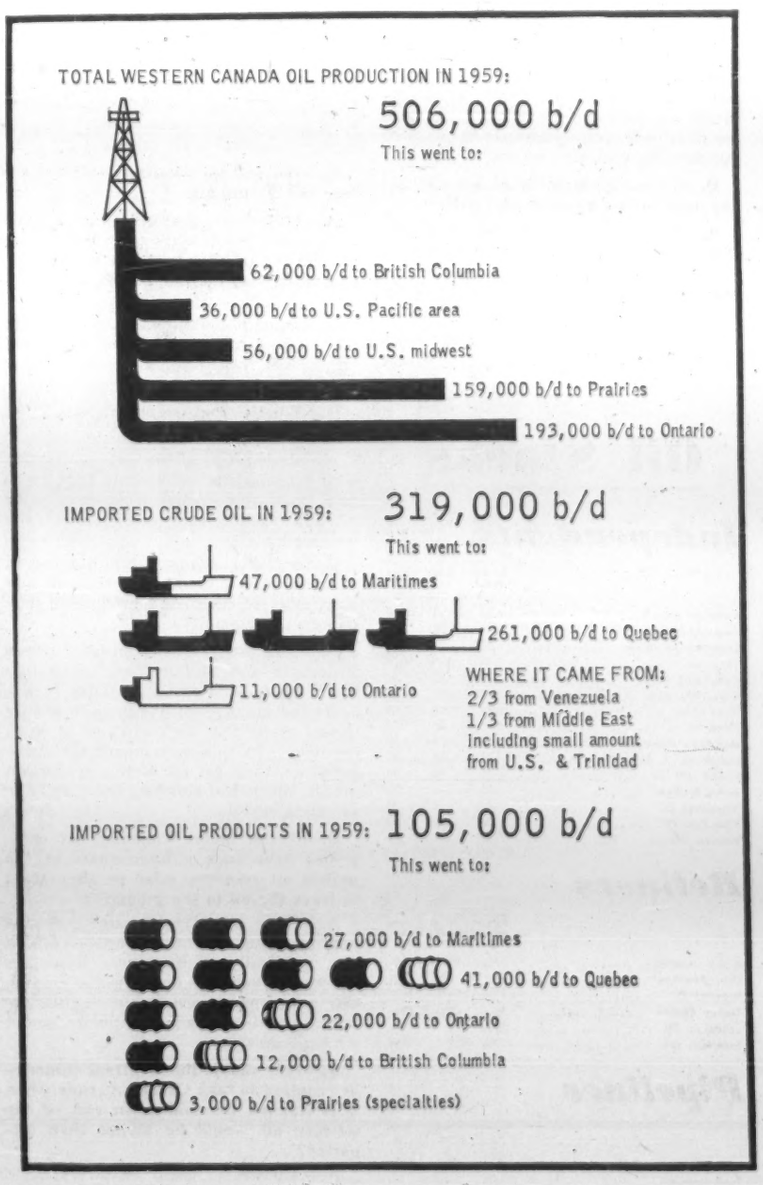
Q.—What is suggested to make Canadian oil more competitive?

A.—More of the available markets must be allocated to the big, lower cost fields. The Alberta government "painted itself into a corner".

Q.—How?

A.—By allowing purchase of oil leases by many interests which had no business

(Continued on Page 26)



What You Should Know About the Oil Battle

(CONTINUED FROM P. 25)

getting into oil production. Some of them paid far too much for the leases. The Alberta government has had to guarantee them a market, through its pro-rationing system. Too many wells are capable of producing at too low a volume. Many independents, the majors say, are mortgaged to the hilt.

Q.—Since you control most of the big fields, won't you derive most gain from increased production?

A.—Yes. So it can be seen that we have the most to gain from any increase in the national and export markets. A large proportion of the production of many of the independents is in relatively shallow, low-productive fields. These wells have a hard time to produce what they are allowed under the present rationing system.

Q.—Who has profited most from the growth, to date, of the oil industry in Canada?

A.—The Alberta government has. It's taken about one billion dollars out of the industry.

Q.—In the face of world oil surplus conditions, likely to continue for the next decade, what steps should be taken now?

A.—Retrenchment, lowered exploration and development costs.

Q.—What about the long-term future?

A.—Excellent. The U. S. market is bound to be big for us in the years ahead.

Q.—When we talk about crude oil, are we forgetting gas?

A.—Very definitely. Most Canadian oil companies produce both natural gas and crude oil.

Our own natural gas is displacing some of the market for crude oil in this country.

Equate natural gas to crude oil. Our total increase of market this year may be as high as 14%. That's nothing of which to be ashamed.

Q.—If, as a result of a recommendation to the government by the National Energy Board, Montreal refiners are "required" to use Western Canada oil, what kind of controls would be instituted?

A.—Rigid licensing controls that would "freeze" refiners to the use of Canadian crude.

If the controls didn't make good economic sense, the refiners might be forced to shut down Quebec operations. The controls would have to be as stringent as the wartime oil control.

Bootlegging over provincial boundaries would have to be policed.

Quotas for imports by Maritime refiners would need to be enforced. For example, **Irving Oil** in Halifax and Saint John would be allowed to bring in foreign crude for the eastern market, but would be restricted from trading into markets supplied by Canadian crude.

Q.—Then the majors think oil marketing must follow a continental pattern?

A.—Yes. There's much more development to come. There's the remote north, the tar sands. Our crude capacity has outstripped demand growth. We'll never match production and demand in Canada.

And money from the sale of crude must flow back to oil producers to stimulate exploration. This is the important thing.

Q.—It appears that major Canadian oil companies are against Ottawa's intervention. Is this correct?

A.—Canada's oil industry is not going to develop through arbitrary legislation. If our national oil policy fails to recognize the need for free marketing then someone has to pay. It's going to be one of these three: The consumer, producer or taxpayer.

Q.—Would the imposition of government controls on oil imports and exports bring in a constitutional issue? What about provincial rights?

A.—Authorities are aware of no serious legal hurdles, and doubt that a constitutional issue would arise. But provincial rights could become a major political issue if the Canadian government subsidized Western Canada oil to make it competitive in the Quebec market. Maritime coal operators might take strong objection to preferential treatment by the government for oil over coal. Quebec might charge interference with provincial autonomy.

Our Five-Year Oil Picture

	Western Canada Crude Oil Production Bbls.	Imported Crude Oil Bbls.	Imported Finished Petroleum Products Bbls.
1955	129,440,247	86,751,128	37,964,500
1956	171,981,413	106,305,532	36,366,689
1957	181,848,004	111,214,864	34,507,493
1958	165,496,196	106,665,305	29,302,692
1959	184,767,642	113,133,122	38,452,940

How the independents answer . . .

Q.—What are the independent Canadian oil companies?

A.—Some of them are controlled in Canada. Others have majority control in the U. S., U. K.

They have two principal spokesmen: R. A. Brown, Jr., president, **Home Oil,** and Charles S. Lee, president, **Western Decalta Petroleum.**

Others: **Canadian Devonian Petroleum,** Herbert C. Pinder, president; **Canadian Homestead Oils,** E. H. LaBorde, president; **Consolidated East Crest Oil,** H. S. Price, president; **Consolidated Mic Mac Oil,** William S. McGregor, president; **Medallion Petroleums,** E. A. Galvin, president; **Okalta Oils,** Hugh B. Griffith, president; **Westburne Oil,** Joseph Beaubien, president; **Midcon Oil & Gas,** J. Bradley Streit, president; **Canadian Delhi Oil,** G. W. Murchison, chairman; **Canadian Husky Oil,** Glenn E. Nielson, president; **Fargo Oils,** B. V. Richards, president; **Scurry-Rainbow Oil,** John F. Langston, chairman & president; **West Canadian Oil & Gas,** J. A. Brusset, president.

Q.—What do they want?

A.—Majority of Canadian independents want Ottawa to take a strong, intervening hand. By means of controls on crude oil imports, they want an Alberta-Montreal oil pipeline built to move Western Canada oil into the Montreal refiners.

Q.—What if the Montreal refiners refuse to take the oil?

A.—Major oil companies refining crude in Montreal would have to guarantee the volume of crude flowing through the pipeline, otherwise the line couldn't be built.

It's up to the National Energy Board to recommend government action. It's in the national interest, and they have had "favorable" hearings by the board, the independents say.

Q.—What's the argument with the major companies?

A.—Basic policy of the large companies with international affiliations appears to be to build up Canadian reserves of crude oil, but to leave them in the ground, the independents say.

Under the rationing system in effect in Alberta, only a small proportion of any individual oil company's production may go into the pipelines.

Canadian "internationals" prefer to take Venezuela and Middle East crude into their Montreal refineries. This is because the majors want to use the wholly owned crude that they produce in these countries. In this way, claim the independents, they get all of the production profits, instead of splitting them under a rationing system.

Q.—If the major Canadian oil companies have such a large share of the prairie oil reserves, why do they want to leave the oil in the ground?

A.—There is a great strategic advantage in taking oil from countries which are politically vulnerable. Resources found in Canada can be left in the ground. Our governments are stable — this untapped oil becomes a politically sound strategic reserve.

Q.—Why should the Montreal refineries be required to take Canadian crude when it is claimed the laid-down cost of the western oil would be higher than imported?

A.—Alberta oil could be delivered to the Montreal market by pipeline at a price low enough to permit refineries to supply Eastern Canadian markets at present product prices. The independents have made submissions to the National Energy Board showing the figures.

Q.—Are these figures of pipeline transportation cost based on a private company's tariff?

A.—They are. A group of independent oil producers, headed by Home Oil Co., is prepared to build a pipeline (**Independent Pipe Line Co.**).

Q.—How many barrels a day could this line carry? How much would it cost?

A.—It would start at 224,000 bbl. daily, increasing to 402,000 b/d by 1970. Initial cost is estimated at $370 million, increased by 1970 to $414 million.

Q.—But is this the only way to get the oil to Montreal? What about Interprovincial Pipe Line Co.?

A.—Interprovincial hasn't submitted a detailed plan, but claims it can build a line to parallel the present system at a cost of $368 million, or by expanding its facilities at a cost of $290 million.

Q.—Any other pipeline proposals?

A.—Yes, two others. An all-Canadian route would cost $395 million, based on **Canadian Bechtel Ltd.** studies, with a route via Sault Ste. Marie costing $344 million.

Q.—Should the Montreal market be expected to pay slightly more for its oil products in order to use Canadian crude?

A.—There is no proof that Western Canada crude will cost more than imported crude. However, even if it were true that the prairie oil would be more expensive than foreign oil, this is not the correct comparison.

Q.—What is the comparison then?

A.—The price of Canadian oil exceeds the real cost. Oil is a heavily taxed commodity.

While these taxes are part of the price, they do not represent a real cost to the Canadian people. If we did not raise government revenue by taxing oil, we should have to raise it some other way.

This is why it is more relevant to compare the laid-down price of foreign oil with the domestic prices less taxes.

Q.—Is the Canadian oil industry taxed more heavily than any other industry?

A.—No, it is not.

Q.—What is suggested then is that in order to get a bigger Canadian market for Canadian oil someone — the producer, the consumer or the taxpayer — should be prepared to pay a premium?

A. — It's hardly that. Western Canadian oil is competitive in the U. S. There does not seem to be any obvious reason why the Montreal product price should not continue to be related to North American product price level, just as it is now.

Q.—Are independent oil producers out to make money on promoting a pipeline?

A.—No. Spokesman Brown says this is not the case with him. "I am thinking of the 15,000-odd Home Oil shareholders who are interested in seeing our company's production increased.

"Certainly we will benefit from a pipeline to Montreal, but remember that the main benefits will go to the major companies with big western oil reserves."

Q.—Five major oil companies -- Imperial, Texaco, BA, Shell, Petrofina — estimate they have oil in the western fields still in the ground because of production rationing totaling 72% of all shut-in capacity. Should they be allowed to produce more from these lower-cost wells?

A.—No. It would put every independent oil producer out of business. We believe in the Alberta rationing system.

Q.—Then the independents are in favor of Ottawa intervention to force out imported crude?

A.—Yes. As far as major U. S. oil companies are concerned, it is probably safe to assume that they will act in their own long-term interest.

If it pays them to import Canadian oil, they will continue to do so. If it does not, then the American markets for Canadian oil are likely to be lost anyway.

Q.—Are most Canadian independents in favor of a strong national approach?

A.—They are. Two years ago a member of independents didn't go along with the majority. Led by **Bailey Selburn Oil & Gas Co.,** George H. Sellers, president, they wanted to see if alternative outlets to the Montreal market — of a continuing and long-term nature — could be found in the U. S. Today they are not happy with the way Canada's export market for oil has developed.

Q.—Would the independents want to see Ottawa impose rigid import-export controls on oil?

A.—They believe Ottawa should seek the agreement of Montreal refiners to buy Canadian crude. If the major companies involved will not agree with this government proposal then the independents see no other way open, except controls, to build a big Canadian market for Canadian crude.

Q.—Do they hold out much hope that a government request will be listened to by the Montreal refiners?

A.—No.

Q.—What about the suggestion, by some independents, that Ottawa should build and operate an Alberta-Montreal pipeline?

A.—As long as a pipeline is built, the independents have no objection. They recognize that if Ottawa built the pipeline, charged no depreciation against it, and no taxes were paid, then it is likely that Western Canada oil could be delivered in Montreal to compete with the imported crudes now entering the Montreal market.

What the Energy Board has been doing.

The government wanted a speedy study — with recommendations by Fall — of the whole Canadian marketing situation.

So the Energy Board set out to update the studies and reports of the Borden commission on energy (which issued its second report in July, 1959).

No public sessions were held.

Major integrated and independent oil companies made submissions.

The board probed all aspects of the oil industry — companies' export-import policies, pro-rationing operations in Western Canada, refinery company profit margins.

Recommendations will be made to Trade Minister Churchill, through whom the board reports to Parliament.

It will be up to Prime Minister Diefenbaker to announce the Cabinet's decision.

The five-man board is made up of Ian N. McKinnon, chairman (formerly chairman, Alberta Oil & Gas Conservation Board), Robert D. Howland, vice-chairman (he was economic adviser to the Nova Scotia Government), Jules A. Archambault, Montreal engineer, J. Lee Briggs (former general manager of the British Columbia Electric Co.,) and Douglas M. Fraser, head of the Trade Department's energy studies branch, who helped prepare the energy board legislation.

Oil Stocks

Independents

	Recent Price $	Aug. 19 $	June 30 $
Canadian Delhi	4.38	4.50	3.50
Canadian Devonian	3.55	3.00	2.25
Canadian Homestead	.70	.75	.63
Canadian Husky	5.55	5.70	4.75
Cons. East Crest	.33	.33	.34
Cons. Mic Mac	1.61	2.00	1.75
Fargo Oils	2.85	2.95	2.80
Home Oil 'A'	8.45	9.00	7.33
Medallion Petroleums	1.80	1.75	1.44
Midcon Oil & Gas	.34	.32	.31
Okalta Oil	.31	.34	.32
Scurry-Rainbow	5⅛	5½	5½
Westburne Oil	.50	.51	.51
West Cdn. Oil	1.03	1.05	1.02
Western Decalta	.89	.88	.74

Refiners

	Recent Price $	Aug. 19 $	June 30 $
British American	27⅛	29	25⅞
Cdn. Petrofina	8	8⅛	9⅛
Imperial Oil	32⅛	34⅛	31⅛
Texaco Canada	50	49½	49⅜
Canadian Oil	20¾	21	19⅜
Supertest ord.	13⅛	13½	13½

Pipelines

	Recent Price $	Aug. 19 $	June 30 $
Interprovincial	56⅛	53½	53
Trans-Mountain	8½	8⅝	9⅛

Canadian Oil Cos. 'Proudly Canadian'

Here's one oil company that doesn't fit into either camp.

"We are the only major Canadian-owned oil company processing exclusively Canadian crude oil, and it is our intention to continue this policy," says W. Harold Rae, president, Canadian Oil Companies, Toronto.

Company produces oil in western Canada, and refines it at Sarnia. It opposes a pipeline to Montreal, but feels so strongly about its "buy-Canadian" policy that it has been turning down offers of cheaper foreign crude for its refineries.

Where Mutual Funds Invest: Half the Cash in 20 Stocks

Mutual funds have been growing fast but they still own only 3½% of the stock in companies in which they have invested.

Nearly half their holdings are in just 20 Canadian companies.

Here is an exclusive FP study of the stock holdings of these important investing companies. More than 163,000 Canadians own stock in the mutual funds.

By AMY BOOTH

Leading U. S. and Canadian mutual funds specializing in Canadian stocks own about $666 million worth of stock in 270 Canadian companies.

That's what a special **FP** study shows, based on recent market prices and latest published holdings of 28 funds.

The funds studied — 19 whose shares are offered in Canada and nine whose shares are offered mainly in the U. S. — hold most of the Canadian shares now held by mutual funds.

Value of all holdings of the Canadian funds alone nearly tripled (to $529 million) in the past five years (**FP**, June 4) and has continued to grow this year, although at a slower pace.

The U. S. funds have assets of more than $300 million, about two-thirds or more invested in Canadian stocks. They were just getting started five years ago.

Despite this rapid growth in the amount of stock held by mutual funds, they still hold only about 3½% of the stock outstanding in the companies in which they have invested.

Recent market value of 270 stocks they held was $666 million. But all the shares of those 270 stocks that are outstanding, have a market value of $17,799 million.

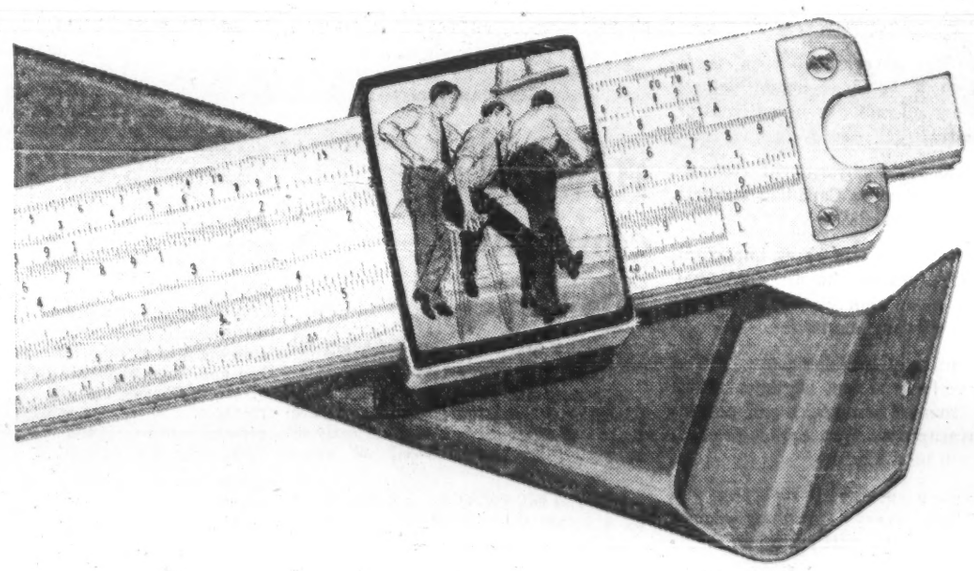
Among the individual companies, the funds hold 18.8% of the outstanding common stock of **Industrial Acceptance Corp.** This is the largest percentage holding in the equity of any one firm.

A total of 19.2% of the outstanding class A shares of **Loblaws Companies** is held but this is non-voting stock.

The stocks included in the accompanying table are for the most part common voting shares, but a few have some preference in lieu of voting privileges.

The mutual funds hold more than 10% of the outstanding stock of 19 of the stocks in the list. They hold more than 5% of another 69, 3% or more of another 35, and 1% or more of an additional 72.

(Continued on page 36)



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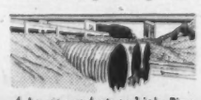
Armco representatives are working on every kind of engineering and construction project, in every province, developing better ways to build.

For example, one hundred and twenty-five-car ore trains pounding over timber trestle bridges in Labrador had, in two years, raised maintenance costs to a dangerous high. Armco Construction Services installed a battery of 102" diameter Armco MULTI-PLATE® structures to replace the trestle bridges. This job was accomplished without interrupting traffic; bridge maintenance was eliminated.

It's more than an even bet that an Armco representative can help *you*—in fact, his fast and *complete* service may save you thousands of dollars on a project.

Why? Because he knows the hundreds of Armco construction products—the sizes available, gauges necessary, and exactly when you can have delivery. Give him a try on your next project. Remember—information on any Armco product, as well as immediate engineering help, is yours for the asking . . . from Armco.

Creative Engineering from ARMCO develops better ways to build



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European Roundup

Congo Loss Cuts Belgian Exports

By ERNEST WAENGLER

BELGIUM'S PAYMENTS balance is beginning to suffer severely from the loss of the Congo and the government is expected to enact a series of measures to stimulate exports.

The problem is aggravated by the fact that even last year the increase rate of Belgian exports lagged behind those of its neighboring countries.

Canada is vitally interested in the future of Belgian foreign trade.

In the first half of this year, we sold Belgium goods valued at $26 million, $3.3 million more than in the same period of last year. In the January to April period, Canadian purchases from Belgium were $10.7 million, $500,000 more than in 1959.

Belgian export industries have been advised that they must adapt their production more closely to the demand in the more important customer countries. As a supplier of many raw materials to these industries, Canada may actually benefit from these measures.

* * *

IN DENMARK, too, a rising foreign trade deficit is giving cause to serious worries.

In the first half of this year, imports increased twice as much as exports and the deficit jumped from $108 million last year to $180 million this year.

The biggest Danish imports are in fuel, metal, vehicles and machinery.

Canadian exports to Denmark increased 20% over last year, from $2 million to $2.4 million for the first six months, with canned vegetables, synthetic rubber and asbestos among the biggest items.

* * *

SWEDEN REPORTS a considerable increase in the production of automobiles, stimulated mainly by better opportunities in the export markets.

In the first half of 1960, 68,000 Swedish cars were sold to other countries, mainly to Denmark, Holland, Belgium and South Africa.

In Canada, sales of Swedish cars fell off during the first four months of this year, when only 335 units were imported compared to 514 in the same period last year.

* * *

A NEW INITIATIVE to attract foreign investments to France has led to the creation of an Investment Promotion Office (Bureau d'Accueil des Investissements Etrangers, 93 Rue de Rivoli, Paris) which is sponsored by the Ministry of Finance and will pave the way for would-be investors in their dealings with French authorities.

Capital transactions in France have been greatly liberalized since the establishment of external convertibility. Four types of foreign capital transactions are now no longer under any restriction:

- **Purchase of listed French stocks.**
- **Purchase of bonds** issued either by public corporations or private companies whose stock is listed on a French exchange.
- **Subscription of listed new stock issues** for the purpose of increasing the capital of a French company.
- **Loans in French currency** to residents of France up to an amount of $200,000 for a period of no more than five years and at an interest of not over 5%.

Direct investments, such as the purchase or construction of industrial plants, are still subject to approval by an "Investment Commission" in the Ministry of Finance. Such an approval, however, is usually given.

The new "Investment Promotion Office" will assist investors, among other things, in preparing the necessary applications and in speeding up the procedure.

* * *

THE PATENT LAW for the member countries of the European Common Market will be unified in the near future and a European Patent Office established, probably in Munich.

ECM officials in Brussels say that it may be possible by next year to obtain patents that are automatically valid in the entire Inner Six area instead of the present situation where patents have to be taken out in each country individually.

A similar standardization will be achieved for trade marks. A conference in The Hague, scheduled for November, will investigate the possibility of putting the protection of trade marks on an international basis, possibly with the inclusion of Canada and the U.S.

* * *

SALE OF SHARES in the newly de-nationalized **Volkswagen Works** will begin in January 1961. Certificates will be issued in March.

The first stock offering is made to German citizens whose income in 1959 was less than $2,000 if single and $4,000 if married. The second offering, for the stock left over after the first is completed, is made without income restrictions.

Persons in the lower income groups will be able to buy the stock at a "social discount" of up to 20%.

To achieve a wide distribution of the Volkswagen shares, individuals in the first offering will be able to buy stock only up to a value of $120, or, if they are employees of Volkswagen, up to $240. In the second offering, $240 will be the limit for all.

Stock will be sold only to individuals residing in Germany and over the age of 18. Companies are not eligible.

There has been some interest on the part of foreign investors, but it is not considered likely that they will be able to buy Volkswagen stock for some time.

Take Visual Arts to People With Canada Council Grants

Grants totaling nearly $50,000 have been made by the Canada Council to visual arts.

This means:

- **Exhibitions of painting** will be taken to smaller communities across Canada
- **Art lectures and demonstrations,** plus children's and adults' classes will be offered at various centres.
- **Canadians will have the opportunity** of seeing some rare art objects.

Earlier council grants (FP, Sept. 10) will aid touring companies take the theatre to the people.

The Art Gallery of Greater Victoria will show an important collection of paintings, tapestries and old silver during the 1960-61 season as the result of a $5,650 grant.

The Woburn Treasures, the private collection of the Duke of Bedford, is being taken to the Pacific coast to be shown at Portland and Victoria.

Other grants to organizations in the visual arts totaled $42,475.

These are made for functions which go beyond routine showing of a permanent collection.

Most large Canadian galleries carry out several extension activities such as lectures and demonstrations and the giving of children's and adult classes.

Grants to promote such activities were made to Edmonton Art Gallery ($3,100), Hamilton Art Gallery ($3,300) and Newfoundland Academy of Art ($2,125).

Several "art circuits" have been established in Canada to supplement the work of the galleries in the circulation of exhibitions to smaller centres.

The Arts Institute of Ontario received $8,000 and the Western Canada Art Circuit got $2,200 to continue operations.

The Canada Council also makes grants to assist the publication of catalogues where it can be shown that the work will have a more than local interest and where it would be of a standard to justify its distribution abroad.

A grant of $10,000 has been made to Montreal's Museum of Fine Arts for an illustrated bilingual catalogue to mark the centenary of the gallery.

A similar grant has been made to the Canadian Group of Painters for their annual exhibition.

Czech CNE Sales $800,000 On Investment of $25,000

Here's a pretty good return on investment.

Czechoslovakia, only eastern bloc country to show at the Canadian National Exhibition just ended:

- **Jumped in** with the biggest (5,000 sq. ft.) display of any foreign exhibitor.
- **Spent** about $25,000 — but booked $800,000 worth of firm orders for 1961 delivery.
- **Expects,** in the months ahead, to double or triple this amount through exposing products from pins to automobiles to more than a million Canadians.

Ten of its export companies took part in the show. They threw a big pre-opening party for press, radio, TV and important customers attended by 400.

Jaroslav Mercl, Czechoslovak commercial consul in Montreal, who arranged the exhibit, says his country expects to increase exports to Canada by at least 15% this year (in 1959 Czech exports to Canada were $6.5 million).

They showed at the CNE:

- **Bohemian glass** with a 500-year tradition — a large, steady export to Canada; glass figurines, giant snifters, Jablonec jewelry.
- **Bohemian hops and malt** — trading on the fame of the original Pilsner beer made in Plzen;
- **Violins for masters** ("you don't exactly sell one of them every day", said Mercl).
- **Pianos,** offset duplicating machinery, textiles, guns, small motorcycles.

They were pushing the Skoda Octavia sportscar, retailing for $1,695, and the Felicia, convertible, selling for $1,995.

Manitoba is the only province selling the potent Czech plum brandy, slivovice.

Mercl figures if more Canadians got a taste of slivovice, they might become so exhilarated that his country's exports to Canada would zoom.

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The Durban City Council invites applications and enquiries for the purchase or lease of its road public transport service.

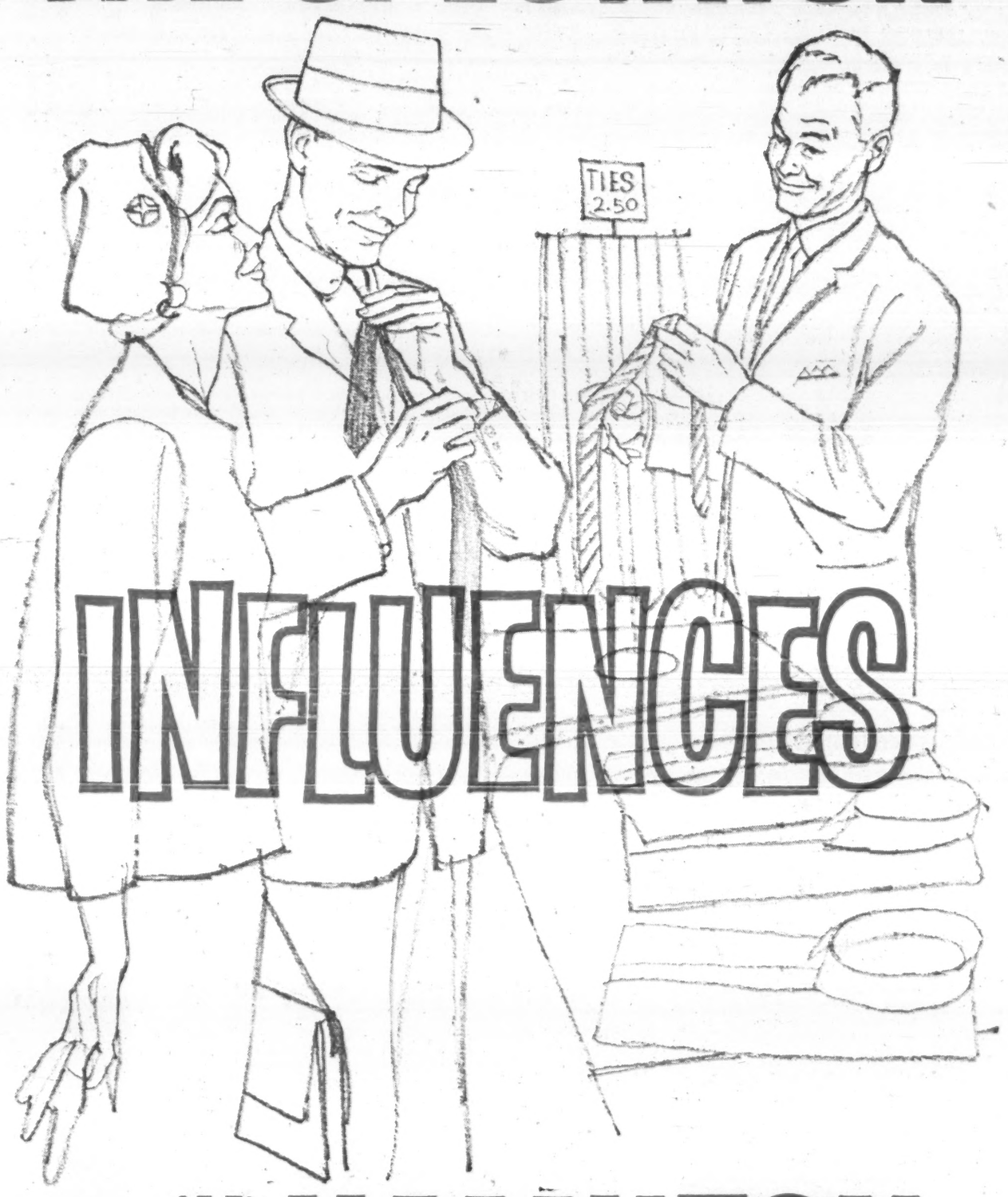
It is generally believed that the Municipal Bus Service, operated privately as a strictly business concern, could be a profitable undertaking. The rolling stock consists of 199 single deck and 103 double deck diesel omnibuses, and 81 trolley vehicles. Mileage operated for the year ended 31st July, 1959, was approximately 11 million, and passengers carried numbered approximately 74 million. The total revenue for that year was £1¼ million as against an outlay of £1¼ million. The City Council is prepared to consider payment of a subsidy to a purchaser or lessee.

Durban, the largest port in Africa, is one of the biggest cities in the Union of South Africa, with a population of 517,000. It is a large and fast-developing commercial and industrial centre as well as an immensely popular seaside holiday resort.

Further particulars are available from The Town Clerk, P.O. Box 1014, Durban, South Africa.

Inspection is invited

THE SPECTATOR INFLUENCES



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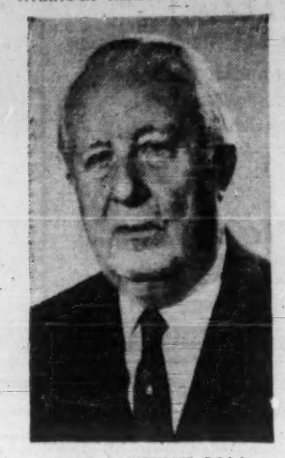


DR. F. A. J. ZEIDLER, F.C.I.C.

Mr. B. T. Kerr, Vice President and Managing Director, The Warnock Hersey Company Ltd., is pleased to announce the appointment of Dr. Frederick A. J. Zeidler as Consulting Chemist for the Warnock Hersey Organization. Dr. Zeidler has been a leading figure in Canadian chemistry for almost forty years and until recently was President of Zeidler-Bennett Limited, a partnership engaged in chemical research and testing, which has now been dissolved. Dr. Zeidler studied at the universities of Jena, Heidelberg and Berlin, where he received his Ph.D. in Chemistry. He completed two years' postgraduate work in Boston, U. S. A., on organic chemistry. Subsequently he became a research chemist at the I. G. Farben Chemical Works and later with an American company in Buenos Aires. Coming to Toronto in 1922, Dr. Zeidler practised chemistry, later becoming president of his own company.

He is the author of numerous scientific papers on such topics as alkaloids, aliphatic compounds, lead in tobacco and merchandise research. He is widely known as an expert witness in civil and criminal cases involving chemico-legal evidence and has also received wide recognition for his extensive studies of pollution in rivers and lakes. Dr. Zeidler is a Fellow of the Chemical Institute of Canada, a Member of the American Association for the Advancement of Science and of The Royal Canadian Institute.

Dr. Zeidler's consulting services are available through the offices of the Warnock Hersey Organization.

Lack of Transport Seen Big Obstacle To Atlantic Growth

The annual meeting of the Atlantic Provinces Economic Council, attended by the four Maritimes premiers, heard speakers call for: new loans to provide risk farm capital; a national policy on transportation; increased aid for construction of fishing trawlers; more aid for municipalities.

By VINCE LUNNY

HALIFAX (Staff) — A lag in economic growth, resulting in a large number of subsistence workers, is perhaps the base of Atlantic region problems.

That was the keynote of a report by Nelson Mann, executive vice-president of the Atlantic Provinces Economic Council, this week.

The occasion:

The annual meeting of APEC and a meeting of premiers of the four provinces.

Delegates took a good, hard look at the region which has a population of 1.9 million, so scattered that only 19% live in metropolitan districts compared with some 45% in Quebec and Ontario.

For many products there is no single market area as exists elsewhere in Canada.

Some conclusions covering particular sectors of the economy:

• **Agriculture**

What's needed, according to Charles Yeo, director, Maritime Federation of Agriculture, is a revision of government loan policies to provide risk farm capital.

Since 1935 more than a million acres of Atlantic region farm land have been taken out of production.

"While it is true some of this land cannot meet today's requirements for profitable farm land, a large portion could be restored by consolidation of smaller units," said Yeo.

• **Manufacturing**

It was generally agreed the most pressing problem of secondary industry is transportation.

"A national policy on transportation based on regional traditions and present day economic conditions is a must for Canada if all sections are to grow and prosper," said Maurice P. Fisher, director, **Enterprise Foundry Co.**

Another problem is lack of technical advice and services. Production stoppages, resulting from mechanical breakdowns, can be much more costly than for the Central Canadian producer who can get a technician into his plant within an hour, said Fisher.

C. M. Anson, vice-president of **Dosco's** steel division, called on labor to assume its share of the responsibility for helping to develop Maritime industry.

"A labor policy of country-wide equality of wages within similar industries is a failure to face the economic facts of life," he said.

"Union members should recognize that until we get sufficient population to absorb production within our area, they cannot expect to receive wages rates paid elsewhere."

It was suggested that until growth is achieved, the unions policy can work only to the detriment of further industrialization of the Atlantic region.

• **Fisheries**

Poor return on investment commensurate with the risk involved was held to blame for the failure of the fishing industry to attract more capital.

Problems of the salt fish branch of the industry are growing worse, according to C. J. Morrow, president, **National Sea Products Ltd.**

Recent breaking-off of diplomatic relations with the Dominican Republic by the U. S. and chaotic conditions in Cuba have been a big blow to salt fish exporters.

To improve the Canadian trawler fleet, Morrow suggested a system of federal investment allowances to apply to trawlers built in Canadian or foreign yards with the addition of a subsidy for trawlers built in Canadian yards.

The U. K. has a 40% investment allowance on trawlers which has the effect of allowing owners to write off for tax purposes 140% of the cost during the lifetime of the trawler.

Dr. John F. Graham, associate professor of economics, Dalhousie University, told APEC delegates "the main object of public policy in the region should be to establish an economic environment conducive to the most effective use of natural resources."

Speaking on the problems of providing public services, Graham urged transfer payments by the federal government to the poorer provinces and through each province to its poorer municipalities.

This would permit poorer provinces and municipalities to provide at least good minimum standards of services with no heavier tax burdens than in richer provinces and municipalities.

Rev. Father Andrew Hogan, St. Francis Xavier University, discussed social and economic problems and the special characteristics of unemployment.

Main characteristic:

Lack of job opportunities within the region to absorb displaced workers of any declining industry.

This intra-regional deficiency reflects the over preponderance of primary resources industries.

He suggested economic stability must be the core of any policy for strengthening the foundations of the Atlantic region.

There was consistent agreement on a combination of regional tax concession and a more positive transportation policy as a basis of redevelopment legislation.

Father Hogan urged a capital projects commission, along the lines suggested by the Gordon commission, be included in any new public policy directed toward the Atlantic region.

Compton's Portfolio
A Managed Investment Account

Invested in 1944 ..... $10,000
Account latest valuation $35,734

Portfolio Politics' Power

Politics, both international and U. S., are likely to have a greater influence on the course of the stock market over the next few months than the present unsatisfactory trend of corporate profits or any steps the government might take to stir up business activity, Compton's manager feels.

During the month ended Sept. 15, the manager dropped two securities from his client's portfolio and replaced them with two new stocks (**FP**, Sept. 17). Here are the details:

Shares	Purchase	Date	Price per share $	Net amount $	Indicated income $
100	Simpsons Ltd.	Sept. 12	27⅞	2,822.50	70.00
15	Royal Bank of Canada	Sept. 12	69⅞	1,054.88	31.50
	Sale				
125	Canadian Pacific Railway	Sept. 12	22⅛	2,789.38	187.50
50	R. L. Crain	Sept. 12	16½	809.50	20.00

As a result of these transactions, Compton's prospective annual income has been reduced by $106 and now stands at $1,272.

At Sept. 15, the value of the account was $35,734, a decline for the month of $497 or 1.4%.

Here is the manager's report:

Between Aug. 15 and Sept. 15 the performance of Compton's account was not as favorable as the customary experience. While the Toronto Stock Exchange industrial index advanced by 1.4%, Compton's total portfolio, including cash (there was no dividend income), declined by approximately 1.4%.

Two factors were chiefly responsible for the decline in the latest month. One was the quarterly withdrawal by Compton of $250 for expenses, and $40 for investment counsel fee. The other was a loss experienced in **Canadian Pacific Railway Co.**, which was sold during the month.

The sale of CPR and **R. L. Crain Ltd.**, the purchase of **Simpsons Ltd.** and **Royal Bank of Canada**, were discussed in last week's **FP**.

While I considered that there were fundamental reasons to support the changes, it must nevertheless be recognized that switching is expensive, both in terms of brokerage charges and in terms of the fact that sales sometimes must be made at the bid side, and acquisitions made at the offered side, of the market.

There were few changes of consequence having a bearing on the individual security holdings during the month. The re-election of the Social Credit government in British Columbia was deemed to be constructive for **B. C. Power Corp.** The release of the favorable **Loblaw** annual report contributed to strength in the shares of the parent **George Weston Ltd.**

The dominant stock market influence at the moment, both in North America and in European markets, is the unsettled situation in the Congo and in Berlin, and, in particular, the attitudes which will be taken by the various governments at the current United Nations meetings.

Politics, both international and American, are likely to have greater immediate significance than even the unsatisfactory trend of corporate profits or the steps which governments are taking and contemplating to stimulate business activity.

Here is Compton's portfolio at Sept. 15:

	Bonds:	Cost Per Share $	Market $
$5,000	Govt. of Canada 5½%, Oct. 1, '62	99.50	105.05
$2,000	Govt. of Canada 5½%, Apr. 1, 1963	99.75	105.30
	Common Stocks:		
100	Abitibi P. & P.	18.99	39.50
100	Alta Gas Trunk L. A	20.75	22.00
50	Bell Telephone	40.37	46.375
100	B.C. Power	28.37	33.375
100	Calgary Power	21.625	22.125
60	Cdn. Breweries	33.52	38.625
50	International Nickel	34.20	51.375
10	Philips Lamps	161.00	159.50
50	Price Bros.	43.50	39.25
15	Royal Bk. of Canada	69.875	68.75
100	Simpsons Limited	27.675	28.00
50	George Weston B	34.50	37.625

	Book value $	Market value Sept. 15 $	Prospective annual income $
Bonds	6,970	7,359	385
Common stocks	25,082	26,177	887
Cash	198	198	...
	32,252	35,734	1,272
Current market value			$35,734.08
Prospective annual income			$ 1,271.78
Av. yield on original $10,000			12.72%
Av. yield on current mkt. value			3.56%

NEW CRASH TRUCK

A double-engined crash truck, said to be first of its kind in Canada, has been delivered to Vancouver Municipal Airport by **La France Fire Engine & Foamite Ltd.**, Toronto. Pump, powered by a separate 175 hp engine, can throw foam or water, delivering 5,000 gal. per min. of foam from a turret nozzle, up to 175 ft.

15 Investors See Manitoba Cities, Towns

From Our Own Correspondent

WINNIPEG — Buyers of Manitoba municipal securities made a three-day tour recently for a first-hand look at development.

The inspection trip was organized by **Nesbitt, Thomson & Co.** The party of 15 included representatives of all but two major life insurance companies in Canada, and two from the U. S.

The survey was focused mainly on borrowings for schools.

In recent years school construction programs have ranged from $3 million up, rarely exceeding $5 million. For 1960, including Winnipeg and other cities, it is $17 million.

There is a projected program of close to $10 million for 1961, which will be far short of catching up on the backlog.

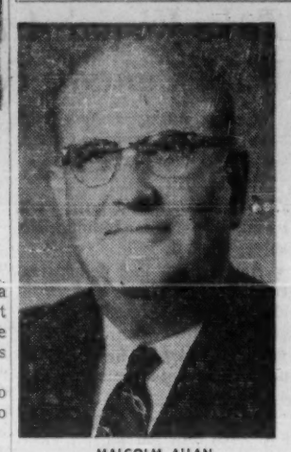
The borrowing position of school districts is assisted by the province. If a school district or division on its own credit can't sell its debentures at 6¾% or less, the government under certain conditions offers a trusteeship agreement.

This permits the Department of Education to service the debenture issue out of the government grant. In most cases this has made it possible for school districts to get a rate lower than 6¾%.

NEW RAYTHEON PLANT

Defence Production Minister Raymond O'Hurley will open a new $400,000 **Raytheon Canada Ltd.** headquarters and plant at Waterloo, Ont., Sept. 27. The new plant has 34,000 sq. ft. of space, compared to the 8,000 sq. ft. the U. S. subsidiary had when it was started in 1956.

ANNOUNCEMENT



MALCOLM ALLAN

JOHN S. HUGHES

JOHN B. LESSLIE

Appointments in San Francisco, Chicago and New York, and at two of its principal Montreal branches have been announced by the Bank of Montreal.

MALCOLM ALLAN, manager of the bank's St. Peter and St. James streets branch, Montreal, becomes president and cashier of the Bank of Montreal (San Francisco), succeeding Albert St. C. Nichol, who will retire on pension after a 44-year banking career.

JOHN S. HUGHES, manager of the B of M's Sun Life Building branch, Montreal, will succeed Mr. Allan; while JOHN B. LESSLIE, an agent at the bank's New York agency, will become manager, Sun Life Building branch.

NIELS KJELDSEN, now B of M resident representative, Chicago, will succeed Mr. Lesslie; and H. B. FRANCIS, an assistant superintendent, business development department, at the B of M's head office, Montreal, will succeed Mr. Kjeldsen in Chicago.

Mr. Allan is a banker of extensive experience, having served at many centres in Ontario, including a period as manager of the B of M's Royal York Hotel branch, Toronto, before moving to Montreal in 1950 as manager, University and St. Catherine streets branch. He became manager at St. Peter and St. James streets branch in 1955.

Mr. Hughes' career has included service as manager of the bank's main Oshawa branch and as an agent at New York. He became manager of the Sun Life Building office in 1957.

Mr. Lesslie has served in numerous centres including periods as an assistant manager, main office, London, Ont., and as an assistant superintendent, Ontario division, Toronto. He assumed his present appointment in New York in 1957.

The series of moves will begin shortly and will be completed by the end of October.

Dosco Imports U.S. Coal for Furnace Coke

HALIFAX (Staff) — Talk about carrying coals to Newcastle . . .

Dominion Steel & Coal Corp., Canada's largest coal producer, soon will import low volatile U. S. coal for use in its Sydney works.

This type of coal is not available in Dosco's own collieries.

The decision to use U. S. coal implements a section of a report prepared for the Nova Scotia government by **Arthur D. Little Inc.** (**FP**, April 16) which said:

"The province must recognize the need for importing some low volatile coal for blending with Nova Scotia coal to produce good quality blast furnace coke."

Announcement was made at midweek by C. M. Anson, vice-president of Dosco's steel division, who appealed for understanding of the company's position in an address before the Atlantic Provinces Economic Council.

"Any hue and cry (against such importation) might delay removal of one of the handicaps under which Sydney steelmakers operate," he said.

"Few operators anywhere produce blast furnace coke from one kind of coal. Customary practice is to use a mix and that course must be followed if Sydney steel-making is to be brought up to the level of efficiency that is necessary for its future success."

Anson has been preaching the desirability of using low-volatile coal for 20 years.

He assured his APEC audience that imports would not jeopardize the use of Cape Breton coal.

"On the contrary it will promote greater use," he said, "by permitting a lower cost of steel production. The Sydney works then will be in a better competitive position."

Construction Dip In Metro Toronto

Construction in Metro Toronto is down $50 million in the first eight months of this year compared to last year's total of $260 million for a similar period.

A Toronto Real Estate Board survey shows that in Toronto's three major suburbs — Etobicoke, Scarborough and North York — construction is running $45 million below last year's eight-month total.

Comparative figures in millions of dollars for the eight months ending August (1959 figures in brackets):

North York: $52.7 ($70.5).
Etobicoke: $34.4 ($46.8).
Scarborough: $29.7 ($44.2).

Two of the suburbs were down for August, 1960, compared to August, 1959. Comparable figures in millions (with August, 1959, in brackets):

North York: $7.4 ($10.7).
Etobicoke: $2.4 ($5.4).
Scarborough: $4.1 ($4.1).

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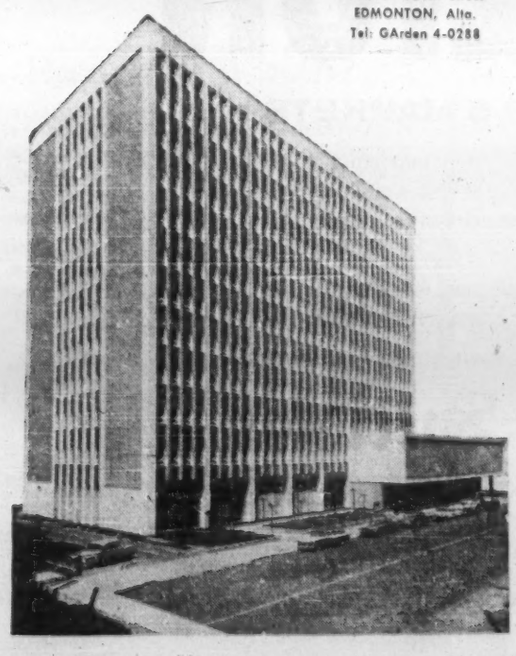

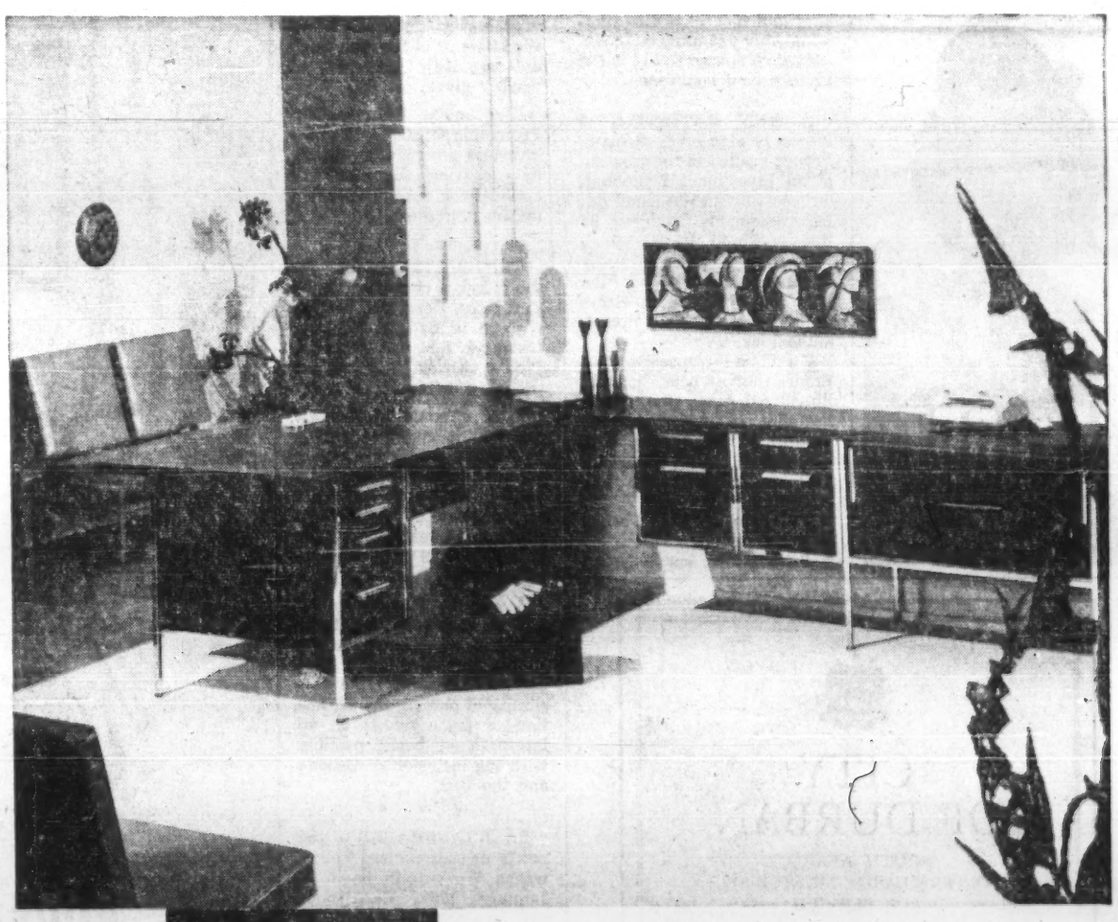

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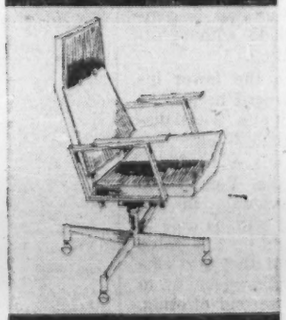

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DECOR Desks by ROYALITE METAL FURNITURE COMPANY LIMITED, Smiths Falls, Canada

60-18

New-Type Loom Could Double Textile Output

By ERIC RICHTER

KINGSTON, Ont. (Staff) — **Canadian textile makers are keeping close tabs on the shuttleless loom, a recent technological development that could revolutionize the weaving industry.**

Although no shuttleless looms are believed to be operating in Canada as yet, a number of cotton, woolen and worsted producers are reported to be evaluating this equipment and may be on the verge of buying.

The lure:

Shuttleless looms, because of much higher speeds, hold promise of producing twice as much as a conventional loom. This means big potential space, overhead and labor savings.

The drawback:

These looms are expensive, costing upwards of 50% more than conventional equipment.

Further, they can only be economically installed in batteries and work best on volume fabrics of simple construction, a type of material frequently hard to market in Canada because of foreign competition.

Pros and cons of the shuttleless loom where hammered out recently at the seventh Canadian Textile Seminar, held at Queen's University. The seminar is organized bi-annually by the Textile Technical Federation of Canada.

The symposia on shuttleless looms is believed to have been the first in North America, if not the world.

Development of the shuttleless loom has been hailed as one of the biggest breakthroughs in textile technology in 200 years.

According to some experts, it is comparable only with three other milestones in textile history: John Kay's flying shuttle developed in 1733, Cartwright's power loom (1789) and Northrop's automatic bobbin changer (1890).

Here's why:

In the conventional loom, the shuttle travels back and forth unreeling yarn as it goes and building up the fabric row on row. The yarn supply moves back and forth with the shuttle.

Refinements are continually being added to the conventional loom. Yet textile technologists agree this loom is not capable of a much further development.

The chief reason:

Shuttle speed, one of the main factors that determines output. In the conventional loom, the shuttle has to be accelerated from a dead stop only to be stopped again on the other side so that it can be shot back.

The shuttleless loom, of course, overcomes this limitation.

All shuttleless systems have one principle in common:

The yarn supply is stationary and just enough yarn to reach across the fabric is accurately measured out and cut off from the supply.

Compressed Air Does It

The systems differ in the way this length of yarn is transported across the loom.

At present three major systems are competing for the shuttleless market.

▸ **The Draper system** uses a modified rapier principle to get its yarn across the loom. It employs a steel "hand" to carry the yarn to the middle of the loom where it is transferred to a second "hand" inserted from the opposite side. This second "hand" draws the yarn the rest of the way across the loom.

▸ **The Sulzer system** uses a light gripper shuttle, an arrow-like device which picks up the yarn and pulls it across the loom.

A Swiss foundry and heavy engineering products manufacturing company, Sulzer, has been developing its shuttleless loom (or "weaving machine" as company calls it) since the early 1930s. The loom, however, has been in commercial production only since 1953.

▸ **The Maxbo shuttleless loom** is probably the newest system.

It employs a jet of compressed air to get the yarn across the loom. Production facilities for this loom are now being tooled up and the loom itself will go into commercial production next year.

Potential for the shuttleless loom appears to be enormous. **Draper Corp.,** for example, has set itself these goals:

- **A 40% increase** in speed.
- **A 40% increase** in weaver productivity.
- **A 100% increase** in fixer productivity.
- **A 70% decrease** in the cost of maintenance, repair and operating supply.

Further advantages, the company hopes will include a reduction in material handling costs, power consumption, waste, noise level as well as other benefits.

Because the shuttleless loom development is so new, little comprehensive comparative cost data has yet been built up.

Indications are, however, that those firms which have bought shuttleless looms are well pleased with results.

It is estimated that over 2,000 shuttleless looms are now operating in the U. S.

Sulzer has sold some 200 of its "weaving machines" in Australia and later this fall will start delivery of 400 units to the U. S.

Company reports a loom order backlog sufficient to keep it working at capacity until 1963. About 70% of Sulzer's loom output is going to West Germany.

Draper, which spent over $6 million to develop its system has, 1,700 looms running on commercial production in 13 different mills. Company's present output is 100 machines per month. Tooling for higher production is being installed.

The shuttleless loom could have an important bearing on the future of a large part of the Canadian textile industry.

In the first instance, lower labor costs resulting from its use could help make our production more competitive with imports from low wage countries. This is based on the assumption that even if low-wage textile makers similarly re-equip, relative advantage accrues to the producer with the highest labor costs.

At the same time, however, the new loom may spell trouble for those Canadian fabrics, suitable for production on the shuttleless loom, which due to the limited market here could not be economically produced on this equipment.

Financially, many Canadian mills can ill afford to re-equip, particularly with still more costly looms. Yet a number appear to be giving serious consideration to doing just that — if not at present then certainly as soon as they figure they can market additional production.

"We haven't bought any new looms for quite some time—but when we do, you can be assured it won't be the type we have now," one mill official told **FP.**

ANNOUNCEMENT

NEW APPOINTMENT AT SWIFT'S

D. T. BROWN

Mr. P. L. Ayers, President of Swift Canadian Co., Limited, has announced the appointment of D. T. Brown as Manager of the Company's Edmonton Meat Packing Plant.

Mr. Brown has been with the Company for 40 years in various departments. Prior to his appointment he was employed in the General Manager's office in Toronto.

He succeeds Mr. J. C. Peters who has retired on pension.

Second Quarter Profit Gain Larger Than in First Half

Canadian corporate earnings published so far for the first half, 1960, were well ahead of the corresponding 1959 period.

And, based on the results of companies which publish quarterly figures, the relative gain in the second quarter over a year earlier was better than for the first three months.

A tabulation of half-year results of 81 Canadian companies shows that net earnings, after taxes, were up 16.5% from the January-June period last year.

The 81 companies used in this calculation include 48 whose results were surveyed earlier (**FP,** Aug. 6). Results of these 48 firms indicated a 16% gain in total earnings over first half, 1959.

Second quarter results available for 38 firms show that earnings rose an average of 26.9% over second quarter, 1959.

The same 38 companies registered a 24.5% year-to-year gain in first half earnings.

Canadian results available so far are in contrast to the experience of U. S. corporations.

According to the **First National City Bank of New York,** U. S. corporate reports issued so far for the second quarter fell slightly short of the first quarter this year, and lagged considerably behind April-June, 1959.

For the first half of 1960 as a whole, profits of the reporting U. S. companies were 4% below a year earlier.

Total earnings of the 81 companies in **FP's** sample were $300.4 million in the first half this year, compared with $257.9 million a year earlier.

For the same period, total profit for the 38 firms which report quarterly was $172.6 million, a gain of 24.5% over $138.6 million last year.

Second quarter earnings for these firms amounted to $89.7 million (52% of the six-month total), up 26.9% from $70.7 million (51%) in second quarter, 1959.

First quarter year-to-year gain for the 38 companies was 22% (to $82.9 million from $68 million).

FP's calculation of the proportion of six-month profit earned in the second quarter must be qualified by the fact that results of only a small percentage of Canadian companies are included in the calculation.

Corporation profit figures published by the Dominion Bureau of Statistics show that in 1957, 1958 and 1959, the second quarter provided about 57% of the first six months' earnings in each year. DBS corporation profits data have not been published yet.

Two-thirds of the 81 companies whose earnings have been reported showed an improvement in the first half, 1960, as compared with last year.

Of the 38 second quarter results available, 27 are better than in like 1959 period, while 11 companies earned less than a year ago.

Du Pont Launches New Orlon Fibre

KINGSTON, Ont. (Staff) — A new U. S.-made member of the Orlon family of synthetic fibres — Orlon 28 — is expected to be marketed in Canada shortly.

The new fibre type, announced by **E. I. Du Pont de Nemours** at the bi-annual meeting of the Textile Technical Federation of Canada held in Kingston recently, closely resembles mohair.

It is intended for use in manufacture of luxury sweaters and other wearing apparel.

Orlon 28 is now undergoing commercial evaluation in the U. S.

Originally made from the hair of the angora goat, mohair has also been simulated by special wool-cotton mixtures.

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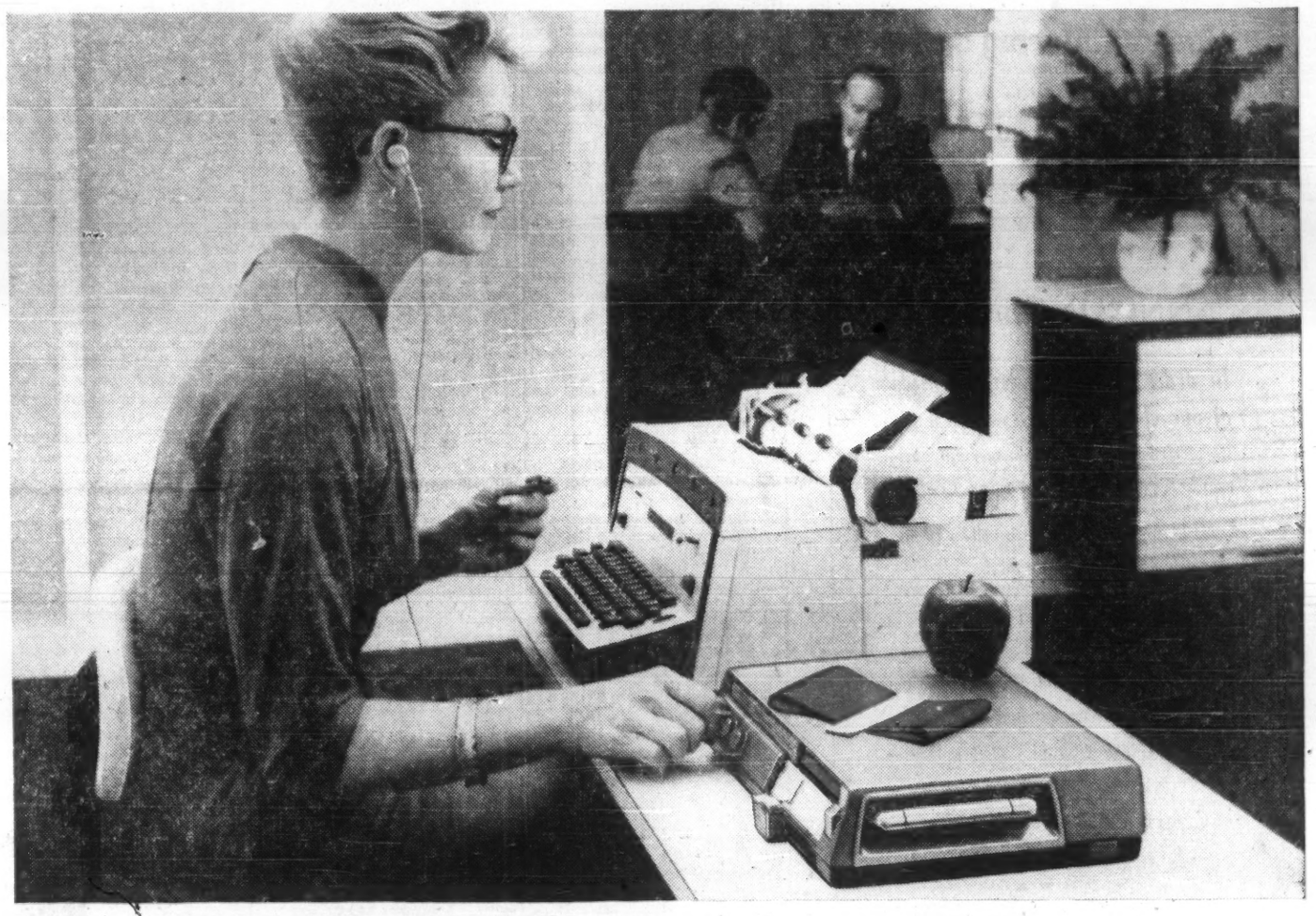

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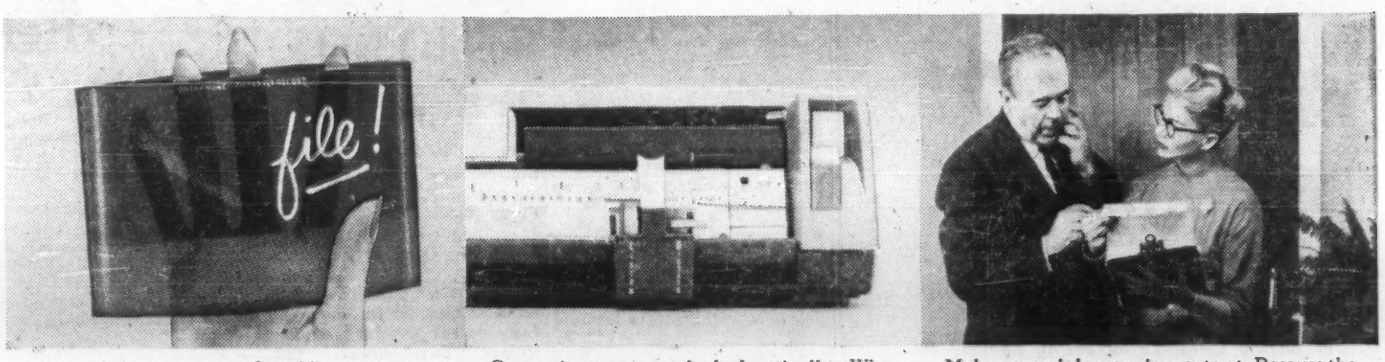

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ANNOUNCEMENT

APPOINTMENT

NORMAN F. RAMSAY

Mr. E. T. C. Burke, General Manager of The Canadian Credit Men's Trust Association Limited, is pleased to announce the appointment of Mr. Norman F. Ramsay to the newly created position of General Sales Manager. Mr. Ramsay, who has been with the Association for 11 years, was formerly manager for the Manitoba and North and South Saskatchewan Divisions of the Credit Association and before that was assistant manager of the Ontario Division. The Credit Association is a non-profit organization founded in 1910 to provide its members with confidential and detailed credit information, and related services, for the control of credit granting and accounts receivable. Mr. Ramsay's new task is to co-ordinate the services given to the association's 3,000 member companies across Canada.

Here's Inside Story Of the Plane 'Swap'

The idea began a year ago with senior RCAF officers.

It was concluded recently in the "three corner" deal in which the U.S. gets CL-44's and Canada takes over U.S. radar operations in Canada and "borrows" F-101's.

The intervening year was filled with political misgivings, hectic briefings, frenzied telephoning, memo-writing and bad temper.

By C. KNOWLTON NASH

WASHINGTON — This is the inside story of how Canada and the U.S. made the biggest single defence deal in the history of the two countries by the so-called "swap" arrangement.

The idea for the deal was born more than a year ago in the minds of senior RCAF officers.

It would be a straight exchange deal, the U.S. buying the CL-44 air cargo planes from Canada, and Canada buying the U.S.-made fighter-interceptor, the F-101, as replacements for the elderly CF-100s in our nine NORAD squadrons.

This straight swap, after much negotiation, was agreed to by Washington, but Ottawa came to the brink of decision and then backed away.

It was concerned with the political repercussions of buying a U.S.-made fighter a year and a half after cancelling the Canadian-made CF-105 Arrow.

The determined supporters of some kind of a deal persisted, however, and eventually were able to sell to Ottawa a "three-corner" deal instead of the straight "swap".

This, as announced, consists of the U.S. buying our CL-44s, Canada taking over some USAF functions in Canada, such as radar line operations, and the U.S. "lending" us the F-101s.

This was politically acceptable to Ottawa, and, although politically much harder to swallow for Washington than the original "swap" deal, the Americans, after initial reluctance, finally agreed.

Negotiations for this biggest Canada-U.S. defence deal really got moving when Prime Minister Diefenbaker discussed it with President Eisenhower at the White House last June.

Shortly thereafter, Col. John Eisenhower, the president's son and aide, wrote a chatty letter to U.S. Defense Secretary Thomas Gates in which he said "Dad and the Prime Minister" have discussed the deal in detail and "Dad" would like you to get going on it as soon as you can.

By early July, the U.S. was ready to make the deal, but Ottawa was not.

Phone calls flew back and forth between Ottawa and Washington.

The U.S., with money for the planes already approved by Congress, was anxious to start spending it for every day's delay meant the planes would be a day later coming off the production line.

The Pentagon had even selected the base for the CL-44s —Charleston, S.C.

Finally, about July 25, Defence Production Minister O'Hurley telephoned U.S. Defense Secretary Gates and said Ottawa needed more time — until about Aug. 8. Gates agreed, reluctantly.

But Aug. 8 came and went without any Ottawa decision.

On Friday Aug. 12, word was out that the deal had been approved.

One report said the cabinet had voted overwhelmingly in favor of it. But this approval never was announced because, according to this report, of the serious opposition of some members.

By this time, Washington was rapidly getting fed up with Ottawa's hesitation.

"We're ready to take the political risks, why aren't you?" one senior USAF officer asked.

There were Pentagon mutterings about being less helpful to Canadian defence authorities in the future and there were warnings about jeopardy to defence production sharing.

With the new "three corner" deal being approved, however, most of this Washington unhappiness has dissolved, although a small residue may remain.

The U.S. authorities had to withstand heavy political pressure in making this deal with Canada.

Appeals were made directly to the president on behalf of **Boeing** and **Douglas.**

There even were warnings, for example, that Nixon and the Republicans might lose California in the presidential election unless the California Douglas plant got the air cargo order.

But the White House withstood all the pressure, including warnings from newspapers about giving the deal to a foreign company.

In large measure, the decision to go along with Canada even on the less attractive (for the U.S.) "three-corner" arrangement was based on the Pentagon's intense desire to have the RCAF equipped with modern fighters like the F-101.

Basically, it was this desire for modern fighters in Canada that started the whole thing.

The senior RCAF officers who came up with the idea more than a year ago first sold it to their U.S. colleagues in NORAD.

General Laurence Kuter, NORAD boss, was extremely forceful in endorsing the idea.

There was a problem in selling the USAF Military Air Transport Service on getting CL-44s. It was a good plane, MATS said, but it preferred a more politically acceptable U.S.-made plane.

About this time **Canadair** got deeply interested in these percolating RCAF-NORAD thoughts and the Montreal company began making presentations to almost anybody who would listen at the Pentagon.

The civilian bosses at the Pentagon were among the last to get in on the "swap".

First, they had to take a decision in principle to buy a fleet of modern air cargo planes for MATS.

When this was done, they had to choose what plane they wanted. They narrowed the field down to a handful, including the CL-44.

By early last spring, it was obvious Congress was going to give the Air Force extra money for the modern air cargo planes, even though the president was not anxious to have it. He was convinced, however, to go along.

Then came the Ike-Diefenbaker White House talk, the U.S. approval, the long Canadian hesitation, then the new "three-corner" offer, and finally acceptance by the Americans.

At the final stages, the deal had even gone out of the hands of the Defence Departments in Ottawa and Washington and negotiations went on between Finance Minister Fleming and Treasury Secretary Anderson.

Although External Affairs Minister Green remained skeptical to the end, there was contact with Secretary of State Herter on the finishing touches.

For some time there was serious opposition to the deal from the Toronto area Conservatives who felt it was almost political treason for the government to have killed the Toronto-made Arrow and then 18 months later make a deal to buy a U.S.-made fighter with the "sugar" end of the deal going to Montreal, not Toronto.

The Conservative Whip in the House, John Pallett, was particularly concerned about this.

Pallett is MP for Peel—the Ontario riding that includes Malton aviation plants.

Canadair tried to counter the Toronto agitation by offering liberal subcontracting possibilities to the Toronto area firms.

Some close observers went so far as to suggest the Toronto opposition to the deal was partly a gambit to pry loose more subcontracting or other defence business for Toronto.

Some of the opposition fell away, however, when the Liberal Party, in outlining its new defence policy, went on record as supporting the deal.

Even so, it took frequent, hectic briefings of many cabinet ministers and secretaries in Ottawa and Washington, at least three months of frenzied telephoning, memo-writing and pleading to put over the deal.

One who was intimately connected with arranging it, told **FP:**

"Never in my years of government service have I ever seen anything more complicated, more off and on again, and with more varied pressures from every possible direction than this thing. It went through more perils than Pauline."

Salesmen Require Licence To Make Calls in Alberta

If you send salesmen into Alberta, count on higher selling costs there.

Under a new regulation, salesmen — with some exceptions — must be licensed under the province's "Licensing of Trades & Businesses Act.

"This applies not only to direct sellers of consumer goods door-to-door but to general salesmen calling on businesses," a legal counsel told **FP.**

It's something new in provincial licensing and taxing.

Here's how it works:

- **Fee for a company appointing up to five salesmen** is $100, renewable annually.
- **For more than five** salesmen, the fee is $200.
- **Annual fee where no salesmen are appointed** is $25 for an organization.
- **In addition to this scale,** each individual salesman must pay $5 annually. But an individual cannot qualify for the low fee unless he represents a licensed firm.

A salesman can be asked to produce his licence at any time by the prospect being solicited.

"This looks as if it were designed as a revenue producer for the government," J. W. Kirk of **CCH Canadian Ltd.** told **FP.**

Exempted from the regulation are farmers selling their produce, telephone and mail solicitations, plus other trades covered under separate legislation.

There is also a provision under which the government could exempt any trade or line of business from the regulation.

Barring such special exemption, the regulation "will rope in thousands of salesmen and companies sending salesmen into the province regularly," a business lawyer told **FP.**

"The wording indicates you must be licensed if you 'carry on' business in the province. That might exempt a casual selling-servicing call, but not if the salesman goes regularly to Alberta to sell for a week or two each year."

Several organizations and businesses are now asking the government for clarification of such points.

"The way it reads it might apply to representatives of unions and non-profit organizations," a lawyer says.

The regulation also states that applicants may be required to post a bond at time of licensing.

Tobacco Firm Builds Plant At Brampton

Benson & Hedges (Canada) Ltd., wholly owned subsidiary of big U.S. cigarette-maker, **Philip Morris, Inc.,** will build a $2-million cigarette factory in Brampton, Ont., on a 20-acre site (**FP,** July 9).

Land was purchased from **Elder Mines & Developments Ltd.,** parent company of **Peel Village Developments Ltd.,** which has an 1,100-acre industrial - residential - commercial development called Peel Village in Brampton.

Sidney Bach, Benson & Hedges' vice-president of Canadian operations said plans for the plant are being drawn and construction will begin soon.

The move into Peel Village is considered a major step in Philip Morris' vast overseas expansion program involving manufacture and sale of the company's products in Canada, England, Switzerland, West Germany, the Philippines, Venezuela, Panama and Australia.

Company's only other Canadian operation is in Montreal where 200 are employed in cigarette and cigar manufacture.

Bach said the plant will use Canadian tobacco with some Turkish tobacco added. Enough tobacco from the 1958 and 1959 Canadian crops has been purchased to keep the plant in operation for its first two years.

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C. J. Hodgson & Co. Ltd. will in future act solely as Investment Counsel.

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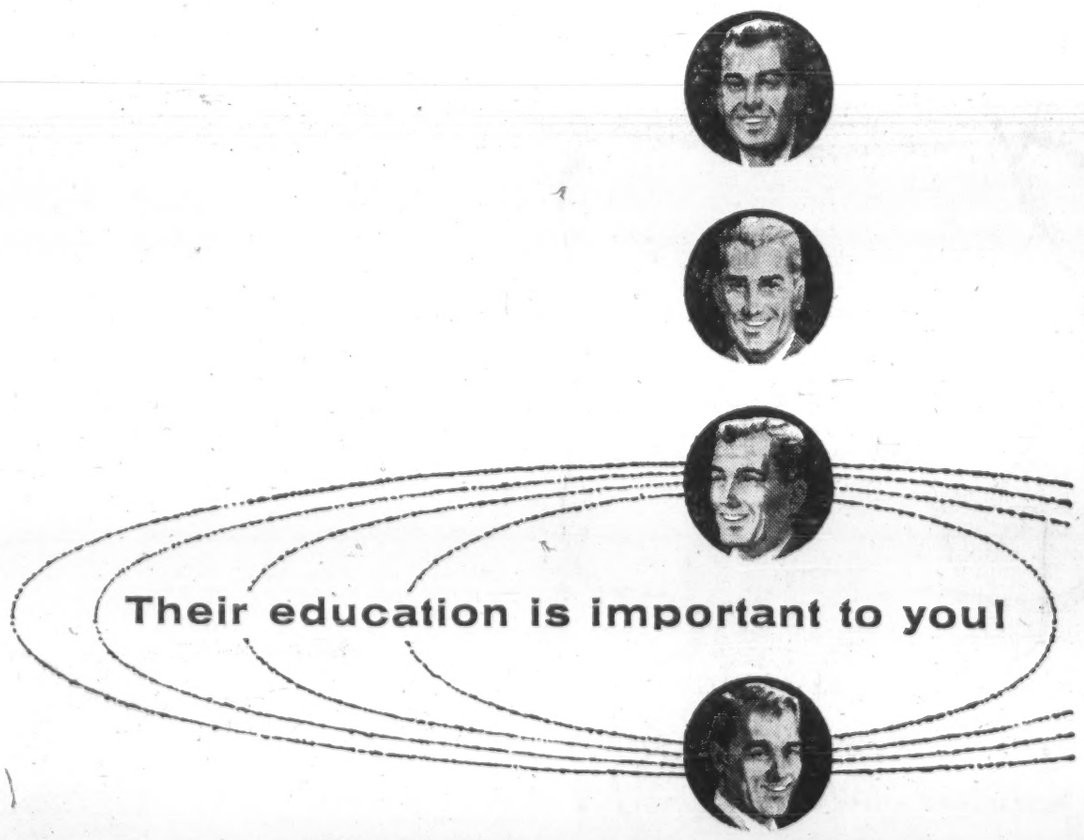

ANNOUNCEMENT

HURON & ERIE - CANADA TRUST APPOINTMENT

WILLIAM H. COPE

The Canada Trust Company announces the appointment of Mr. William H. Cope as Manager of the Company's Commercial and Industrial Division.

Mr. Cope will be located in Toronto and will direct the diversified activities of the Company in the fields of Business Brokerage, Commercial Real Estate Brokerage and Property Management.

Born and educated in Toronto, Mr. Cope has resided in the United States since 1949 and held the position of Treasurer and Controller of J. N. Adam & Company, Buffalo, New York and Assistant Secretary of the parent, Associated Dry Goods Corporation.

During the past five years, Mr. Cope has been employed by personal holding corporations in Buffalo and Rochester, New York, engaged in the acquisition of extensive and substantial business and real estate holdings.

What Directors Can Do Outside Their Companies

By ROBERT TRESILLIAN

Robert Tresillian is the pseudonym used by a panel of lawyers who comment on legal matters for FP.

Considerable attention has been focused recently on the question of the conflict between a director's or officer's duty to his company and his personal interest.

One aspect of this problem that has not been much discussed is the situation where in the course of his service a company director or officer learns of information which he may turn to his personal profit.

A common example arises in the mining field where an officer or director learns in confidence the results of drilling tests which will materially affect the market value of the company's stock when they are known.

It has been suggested that it is not at all an uncommon occurrence for those in the know to arrange carefully their own stock positions before making the news public.

What are the legal duties in such a situation?

The position of a director with respect to his company has been described as a fiduciary one.

He is required to act honestly in the performance of his duties and to use the same care in making decisions or carrying out actions on the company's behalf as would a reasonably competent person in connection with his own affairs.

Further if he takes advantage of his position to make a "secret profit" which should otherwise have belonged to the company, such as purchasing goods and re-selling them to the company at a mark-up and without disclosure, the company may take action to recover such profit.

On the other hand a director or officer is not by such position deprived of the right to hold stock in the company — indeed most corporation laws make the holding of a share a basic qualification of a director's office.

In the normal case the duties of a director or officer which have been described are owed to the company as a whole — and not to any individual shareholder.

An individual shareholder, therefore, could not usually expect to succeed in a suit against a director for profits made by the director on his shareholding.

Wherever shareholders have succeeded in Canadian courts some special relationship has existed.

In one case a committee of directors had been authorized to find a market for the company's property.

Having arranged an advantageous sale, two of the committee acquired the stock of several shareholders without advising them of the prospective sale.

In a law-suit brought by the shareholders who had sold their stock, they were allowed to recover from the two directors the difference between the price paid to them and what it would have been if the proceeds of the sale of property had been included in the company's assets.

The court considered there that their appointment as members of a special committee created an additional duty upon the directors to the shareholders.

In the situation where news is withheld while private holdings are arranged, it cannot normally be said that the company suffers from the momentary suppression of the news.

In some circumstances, say where the company has contract negotiations under way, it might even be for the company's benefit to keep new developments secret.

The basis for complaints about such conduct appears to be a sense of unfairness in that a director has benefited himself from his position as an insider — gaining an edge over those whom, indirectly, he represents.

The law on this point in most U. S. states resembles our own.

Directors or officers have generally incurred liability only where there were some special facts creating a duty between themselves and the shareholders or where they were acquiring such a large block of shares that the court said they were in effect stepping in to take over a corporate opportunity.

The U. S. federal government has, however, sought to meet this problem with the Securities Exchange Act of 1934, s. 16.

A director or officer is required to file with the Securities and Exchange Commission a statement indicating the equity shares held by him, and at the end of each month thereafter in which his shareholdings change, is required to make a further filing of information on such change.

Additionally, where by transactions in the company's shares a director or officer makes a profit within a six-month period, such profit may be recovered by the suit of the company, or if it fails to act, by a shareholder.

This is so even where the director or officer can show that in entering the transaction he had no intention of making a short-swing gain.

These filing statements incidentally, are the source of the information on share-dealings printed in FP from time to time, although of course they are comparatively limited as far as Canadians are concerned, dealing only with companies filed with the SEC.

From one point of view, this liability for a six-month profit may be unfair to directors or officers in that it may lock them into unfavorable share positions.

It may also expose them to harrying disputes at the instance of corporate troublemakers.

It is suggested, however, that the mere requirement of a filing of information can have a beneficial effect.

That exposes to the glare of publicity any action which appears to be an unfair use of insider's position, and can furnish the shareholders with an important fact to consider when the election of directors comes up annually.

Industrial Growth

Manufacturing plants new to Canada; expansions of existing industry across the nation.

COBOURG, ONT.

F. C. Sullivan Industries Ltd., will start operations in a new $200,000 plant in Cobourg, Ont., in October. It will reproduce exotic wood grains on imported paint-grade plywood and on gyprock board, asbestos board, hardboard, chipboard an flakeboard. Initial capacity will be 2,000 4 ft. x 8 ft. panels per shift. F. C. Sullivan, president, was formerly with **Ventures Ltd.**

CALEDONIA, ONT.

Gypsum, Lime & Alabastine Ltd., division, **Dominion Tar & Chemical** expanding board manufacturing facilities at its Caledonia, Ont., plant. A new 450,000 sq. ft. board plant is being erected to boost GLA's gyproc lath, wallboard and sheeting manufacturing capacity 70% by next spring.

ST. BONIFACE, MAN.

Standard Chemical Ltd., has completed a new 12,000 sq. ft. building at 681 Plinquet St., to house its agricultural chemical activities. New building includes warehouse space and facilities for manufacturing and blending of herbicides and insecticides.

PRINCE RUPERT, B.C.

Columbia Cellulose Co., will build new research facilities adjacent to its Prince Rupert pulp mill. Mill produces sulphite acetate and viscose pulps for manufacture into textiles, chemicals and plastics, and specialty paper pulps. The new lab will provide research and development facilities for both the Prince Rupert and **Celgar Ltd.** pulp mills. It will contain 13,940 sq. ft. Architect: **Thompson, Berwick, & Pratt,** Vancouver. Completion is scheduled for June, 1961.

NIAGARA FALLS, ONT.

Sterilon of Canada Ltd., subsidiary of **Sterilon Corp.,** Buffalo, N.Y., will start production in Niagara Falls around the beginning of October. Parent firm is a leading manufacturer of disposable blood transfusion and intravenous feeding equipment. Canadian subsidiary has leased a plant at 1700 Lewis Ave., will employ between 30 and 35 women.

TORONTO

Toronto branch office of **Toledo Scale Co. of Canada** has moved to larger quarters at 135 Cartwright Ave. Besides scales, firm manufactures retail store food machines with servicing and maintenance from 30 branches across Canada.

BURNABY, B.C.

Dominion Glass Co., will build a glass container plant in Burnaby. Construction will start soon and it's expected to be in operation next year. Plant will produce a wide range of bottles, jars, and other glass containers on a 24-hour schedule.

MONTREAL

British American Oil Co., will construct a $2.5 million aromatics extraction plant at its Montreal East refinery. Contractor: **Foster Wheeler Ltd.** Off-site construction already under way includes enlargement of water cooling facilities, sewers, steam and product lines and extensive electrical installations. Main Udex extraction unit, developed jointly by **Universal Oil Products** and **Dow Chemical Co.,** is scheduled for completion next spring. Prime product will be benzene, required for B-A's cumene operation. Unit was designed with provision for future production of other aromatics such as toluene and xylenes which are used in manufacture of plastics, explosives, industrial solvents, other chemical compounds.

* * *

Dural Products Ltd., Dorval, has completed a $100,000 three-story addition for a new head office and factory. It increases capacity to 30,000 sq. ft. Another 25,000 sq. ft. of land has been purchased adjacent to the present site. It will be used to erect another 20,000 ft. addition. Dural Products has a branch factory in Plattsburgh, N.Y. and a branch in Toronto. President and owner is Dezider Debnar. Company manufactures over 150 kinds of adhesives as well as specialty glue products for industrial and consumer use.

SACKVILLE, N.B.

Pearson Construction Co., is general contractor of **Canadian General Electric's** new plant in Sackville. Site preparation is now well under way, with erection of the plant to follow immediately. Building is scheduled to be ready before the end of this year. Planning of manufacturing facilities is progressing and equipment will be installed and in operation shortly after completion of the plant. It will be used for manufacture of distribution transformers for the Atlantic Provinces. Other electrical products are under consideration.

EDMONTON

Donald Ropes & Wire Cloth Ltd. has opened a new warehouse in Edmonton, giving the firm complete warehouse and service facilities in each of the four western provinces. Donald Ropes & Wire Cloth manufactures wire rope, wire rope slings, perforated metal, woven wire screens and industrial wire cloth. Warehouse is located at 14240-118th Ave., and is equipped to manufacture all types of wire rope slings. Guy A. Ehmann is branch manager and Ken C. Brooke, district representative.

INNISFAIL, ALTA.

Canadian Oil Companies Ltd., is nearing completion of work on its new $4 million refinery at Innisfail. The 5,000-bbl. per day plant is expected to go on stream by mid-October. Built on a 70-acre site with an extra 200 acres held in reserve for future expansion, refinery will produce 30 million gal. of gasoline per year, mainly for the firm's 250 White Rose service stations in Alberta, as well as diesel and heating oils. Plant is said to be unique in that it will refine natural gas condensate and crude oil. Most Canadian refineries process crude oil only. Condensate is a liquid by-product of natural gas production brought from nearby Alberta gas fields. Refinery can handle 5,000 bbl. of condensate a day. It can also process up to 2,000 bbl. a day of crude oil as supplementary feedstock.

BRITISH COLUMBIA

Industrial developments in British Columbia:

Evans Coleman & Evans Ltd., has completed a $1.5 million new aggregates plant with automatic quality control at Port Coquitlam. Plant can produce six gravel sizes, five crushed rock sizes and three sand sizes.

* * *

Mrs. Willman's Bake Shop, Burnaby, is building a $60,000 addition to its bakery products plant.

* * *

Spruce Specialties (1949) Ltd., Richmond, is undertaking a $300,000 consolidation and expansion with two other firms, **Vision Manufacturing Ltd.,** and **Transco Ltd.** All were located at separate sites. Products: wood burning, television tubes, transformers.

* * *

Gas Trunk Line B.C. Ltd. is spending $93 million on a 245-mi., 30-in. natural gas pipeline including gathering system in the Fort Nelson fields. Initial capacity — 350 million cu. ft. per day. Line will join **Westcoast** line at Chetwynd. Line is scheduled to be operating late in 1961.

* * *

Trans-Prairie Pipelines, Fort St. John, is spending $5 million on a 100 mi., eight-inch crude oil pipeline with an initial capacity of 20,000 bbl. daily. It will connect Fort St. John area oil fields with refineries at Taylor and Dawson Creek. To be in operation late in 1961. Company plans to ship crude by rail to Vancouver area.

* * *

Proposed:

Westcoast Transmission Co., of Taylor, Lower B.C. Mainland, plans a $25 million natural gas pipeline to increase capacity of line from 440 million to 660 million cu. ft. per day. Two compressor stations will be added.

GUELPH, ONT.

New 40,000 sq. ft. plant of **National-Standard Co. of Canada,** subsidiary of **National-Standard Co.,** Niles, Mich., is nearing completion. Plant will house manufacturing facilities now in an old building, plus new equipment, and will have 35% more manufacturing space. Principal products will continue to be bead and reinforcing wire for tires, rubber hose, and similar rubber goods.

GREENFIELD PARK, QUE.

Todd Company of Canada, subsidiary of **Burroughs Adding Machine of Canada Ltd.,** will officially open its new plant in Greenfield Park early in October. The plant has been in operation since mid-July processing tons of business forms and approximately 500,000 cheques a week. Bulk of the cheques are manufactured for the exclusive use of chartered banks across Canada.

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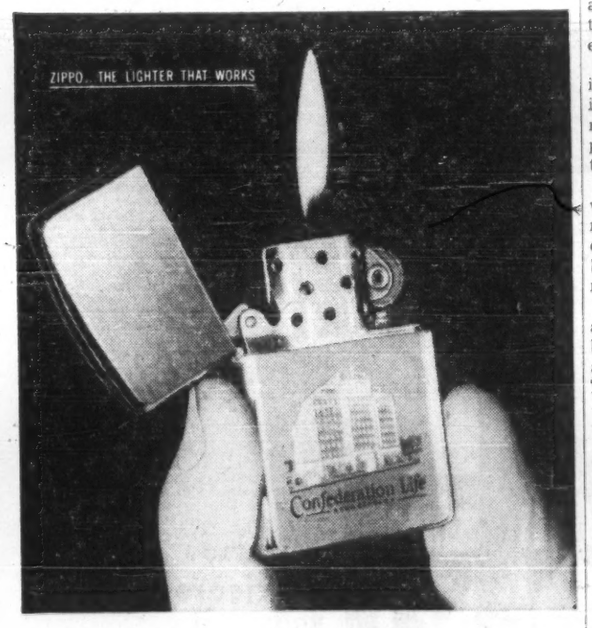

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MANY COMPANIES give Zippos — the world's most dependable lighters — to promote good customer relations, spur incentive and safety programs and keep the company name in the public eye.

A Zippo lighter is a *wanted* gift. It is not a cheap give-away that is soon broken and forgotten. The Zippos you give now will be working to *keep* friends for your company for years to come. If a Zippo *ever* fails to work — *we guarantee to fix it free!*

There are many styles of Zippos to choose from, including the graceful new Zippo Slim-Lighters. Zippo lighters can also be personalized with individual signatures, in addition to company trade marks *in colour* or any design you want. Write to Dept. FP-54, Zippo Mfg. Co. Canada, Limited, Niagara Falls, Ontario.

Zippo Manufacturing Company Canada, Limited, Dept. FP-54, Niagara Falls, Ontario

Gentlemen: please furnish me with complete information on Zippo lighters and your special design service.

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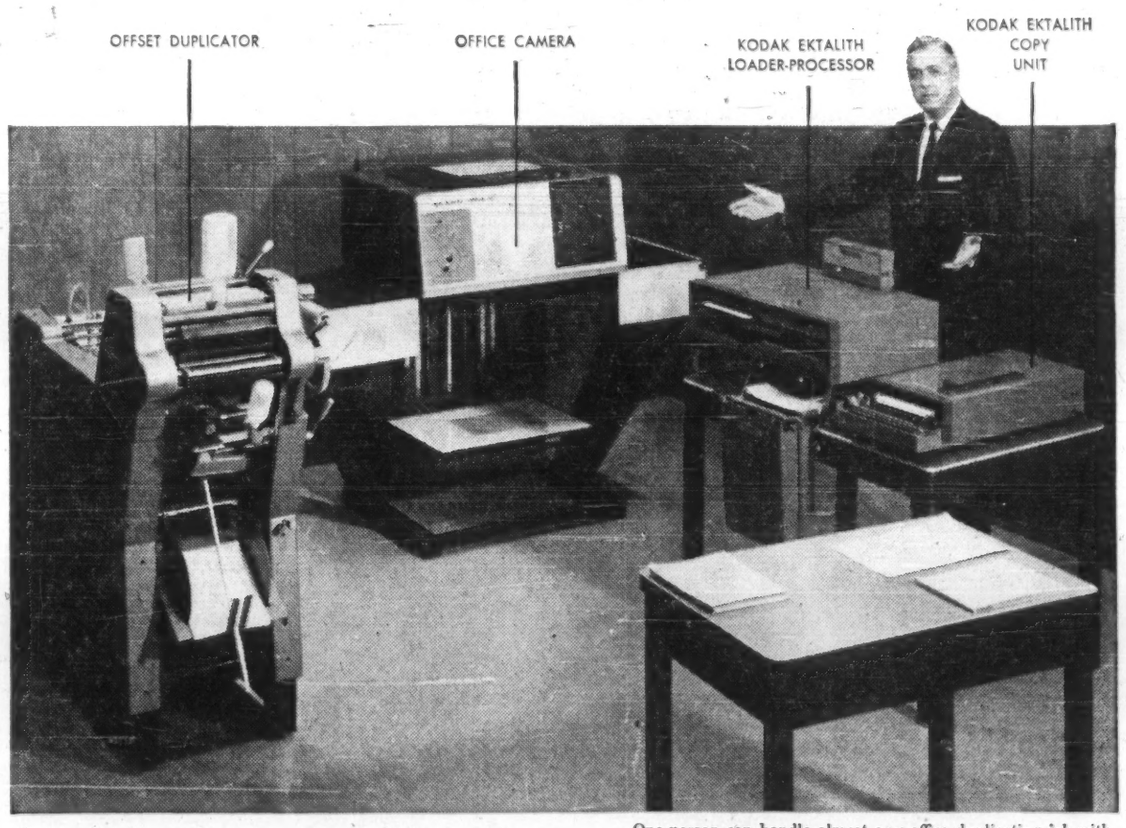
BOWATER OFFERS STOCK

Bowater Paper Corp., London, Eng., is offering ordinary shares to its existing shareholders and holders of its 5¾% convertible unsecured loan stock (debentures) due 1978-82. Basis is one common at 48 shillings each for each common held Sept. 15 and 3.6 common for each £50 loan stock held. Holders may apply for an equal additional amount. Offer expires Oct. 14.

Imagine . . . a complete offset duplicating department in a room this size!



One person can handle almost any office duplicating job with this compact, economical Kodak Ektalith Method installation.

Team up your offset duplicator with an office camera and new Kodak Ektalith Units . . . make either *photo offset masters* or *direct paper copies* of the widest variety of documents — *enlarged, reduced,* or *same size as originals!*

New Kodak Ektalith Loader-Processor ends need for a large processing area or darkroom. Lets you load high-speed Kodak Ektalith Transfer Paper and process it *in roomlight* after camera exposure. Attached Ektalith Transfer Unit puts image on low-cost paper master which gives you hundreds of sharp duplicator copies. Entire process takes less than 2 minutes! Job's as clean as it is easy, can be handled by anyone in the office with a minimum of training.

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Decision on Quoddy Expected Next Month

MONTREAL (Staff) — A formal recommendation on the $630 - million Passamaquoddy tidal power project is expected to come out of meetings in Ottawa, Oct. 5, 6 (FP, July 9).

On those dates the International Joint Commission will meet to review studies and public hearing submissions on the project.

The big question:

How will Canadian-U. S. disagreement be resolved?

Canada seems to think Quoddy would not be economic, strictly as a power source. Maritime interests have urged development of other power sites, including alternate Bay of Fundy schemes.

New Brunswick Electric Power Commission perhaps best summed up Canadian feeling when it said in a brief to IJC, "formal participation by Canada at this time would not be economically attractive".

Forces favoring Quoddy are stronger in the U. S. and there is some talk that the U. S. might build it alone. Powerful New England interests generated the pressure to get the latest study approved and they have maintained an aggressive "Quoddy lobby".

U. S. finds economic justification by using an interest rate of 2½% in cost calculations. This 2½% rate on U. S. loans to federal agencies compares with the Canadian government rate of 4⅛% in January, 1958, the base used in estimates.

The low U. S. rate amounts to a substantial subsidy, it is argued, distorting the cost picture as far as Canada is concerned.

Depending upon scope and auxiliary works, development costs might run as high at $630 million. That includes $150 million for a separate hydro project favored to derive greater capacity from the planned two-pool tidal operation.

The October meetings in Ottawa are expected to end 40 years of study and conjecture. As long as 1919 the late Dr. W. R. Turnbull of Rothesay, N.B., drew attention to the power potential of the Fundy tides.

Their 50-ft. range is among the highest in the world. At Quoddy the average range is 18 ft., but the tides go as high as 28 ft.

One long-range possibility:

Integration of Passamaquoddy power with nuclear output to ensure sufficient energy in peak demand periods.

The tidal project itself would have year-round capacity of 127,000 hp. Auxiliary systems, including development of the Rankin rapids section of the St. John River, could boost dependable capacity to 400,000 hp.

First full-scale study was made in 1921 by D. P. Cooper, a U. S. engineer, who envisioned the two-pool system.

Latest study by the IJC has taken four years and cost some $5 million.

POTATO PICKERS

From Our Own Correspondent

SAINT JOHN — The annual movement of New Brunswickers into the State of Maine for potato harvesting has started. This year New Brunswick will supply a quota of 2,000 pickers.

OTTAWA
LABOR STABILITY AMONG BEST IN CANADA
- Call Industrial Commission: CE6-7531, Ext. 253 -

Stedelbauer Auto Dealers President

Albert E. Stedelbauer, London, Ont., was elected president of the Federation of Automobile Dealer Associations at the federation's convention in Toronto last week.

STEDELBAUER

Stedelbauer is a Kiwanian; a past director of the Windsor, Ont., Rotary Club; former chairman of the United Appeal campaign in Windsor; and a past president of the Gideons Society.

He succeeded Sam J. Parkinson, Calgary.

Other officers:

Vice-presidents, W. Stewart Wilson, North Kamloops, B.C., G. W. Snelgrove, Hamilton, Ont., George Parsons, St. John's, Nfld.; secretary, Earl Murray, Neepawa, Man.; treasurer, Albert Bear, Toronto; executive vice - president, Howard H. Moore, Toronto.

• **Directors:** W. R. Jenkins, Charlottetown, P.E.I.; Albert F. Dillon, Sydney, N.S.; Bliss S. Wood, Fredericton, N.B.; J. Robert Pouliot, Quebec City; George Henderson, Brantford, Ont.; E. G. Evans, Toronto; Sam Stern, Winnipeg, Ed. Vickar, Melfort, Sask.; K. L. M. Hartley, Calgary.

F. W. Baillie, Toronto, represents dealers in imported vehicles.

$20,000 SCHOLARSHIPS

Scholarships of $400 each have been awarded to 50 children related to woods department employees of **Anglo-Newfoundland Development Co.** in 32 Newfoundland communities, from a $100,000 fund established last year.

An Alternative To Shop Malls?

Downtown merchants in Ottawa think they have an alternative to pedestrian shopping malls.

This week they presented a long-term plan for re-development for downtown Rideau St. area to Board of Control.

It comes in time to beat a report on the results of the city's Sparks St. mall, opened on a temporary basis this year (FP, Sept. 17).

The re-development plan would sweep overhead wires underground, put in modern light standards, abolish parking on Rideau St., encourage a general sprucing up of store fronts, install landscaping.

"We want a complete study of downtown, a complete redesigning of the whole appearance of the streets," Joe Feller, president of Downtown Merchants Association, says.

The association is co-operating with the National Capital Commission and Ottawa Hydro in drawing up its plans for future.

Merchants are known to be worried about uptown competition.

This year, the Sparks St. mall took some casual and tourist business away from the Rideau St. area.

'No Witch-hunt' is Promise Of Probe into Government

OTTAWA (Staff)—The first job ahead of the new Royal Commission on efficiency in government will be to map out a plan of attack and hire a research staff.

This may take several weeks, and an additional two or three months may be required before the commission begins hearings.

The three commission members, Chairman J. Grant Glassco, who is executive vice-president of **Brazilian Traction;** Watson Sellar, former auditor-general of Canada, and P. Eugene Therrien, president of **Caisse Nationale L'Economie,** Montreal, were scheduled to meet informally in Ottawa this week to work out plans for the inquiry.

Sellar retired last year from the auditor-generalship. But both Glassco and Therrien have active business interests, and it will be several weeks before each can devote full time to commission duties.

Glassco said this week that the commission would need to accumulate a mass of background material before making direct inquiries into the operations of any department.

Although operations will be based in Ottawa, office space for the commission has not yet been designated. Nor has any budget been established for its activities.

Commission members emphasize that the inquiry won't be a "witchhunt."

Instead, the commission will try, as "soberly as possible" to come up with the recommendations requested by Cabinet:

• Ways to cut out uneconomic government operations, and overlapping of services.

• Ways to achieve efficiency by improved organizational methods, i.e., decentralization or regrouping of departmental branches.

• Ways to make more effective use of budgeting and accounting methods in the civil service.

The commission's instructions have been phrased generally enough to enable it to look into any civil service operation it wishes to, and to make practically any conceivable recommendation for improvement.

The one exception: Parliament.

The Cabinet directive notes "that the scope of this inquiry shall not extend to the institution of Parliament."

The commission is to make progress reports (number and dates unspecified) and a final report within two years.

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Raise Steel Soon For Cornwall Span

Steel erection for the North Channel span of the Cornwall-Massena international bridge will start early in October.

Superstructure contract, including roadway, will be completed by autumn of next year.

Bridge will provide a crossing of the north channel of the St. Lawrence River between Cornwall and Cornwall Island.

C. A. Pitts, general contractor, has completed the 23 piers and an abutment. **Con-Bridge Ltd.,** building nine concrete piers and an abutment and retaining walls of the approach embankment on the north side, will be finished by mid-October.

Canadian Bridge division, **Dominion Steel & Coal Corp.,** is working on components of the bridge superstructure in its shops now.

H. H. L. Pratley, Montreal, has been retained by St. Lawrence Seaway Authority, as consultant for the design, plans and specifications and to supervise construction of the new North Channel bridge.

Bridge will replace present Roosevelt bridge over north channel. It will be about 1¼ mi. long.

Series to Study Major Industries

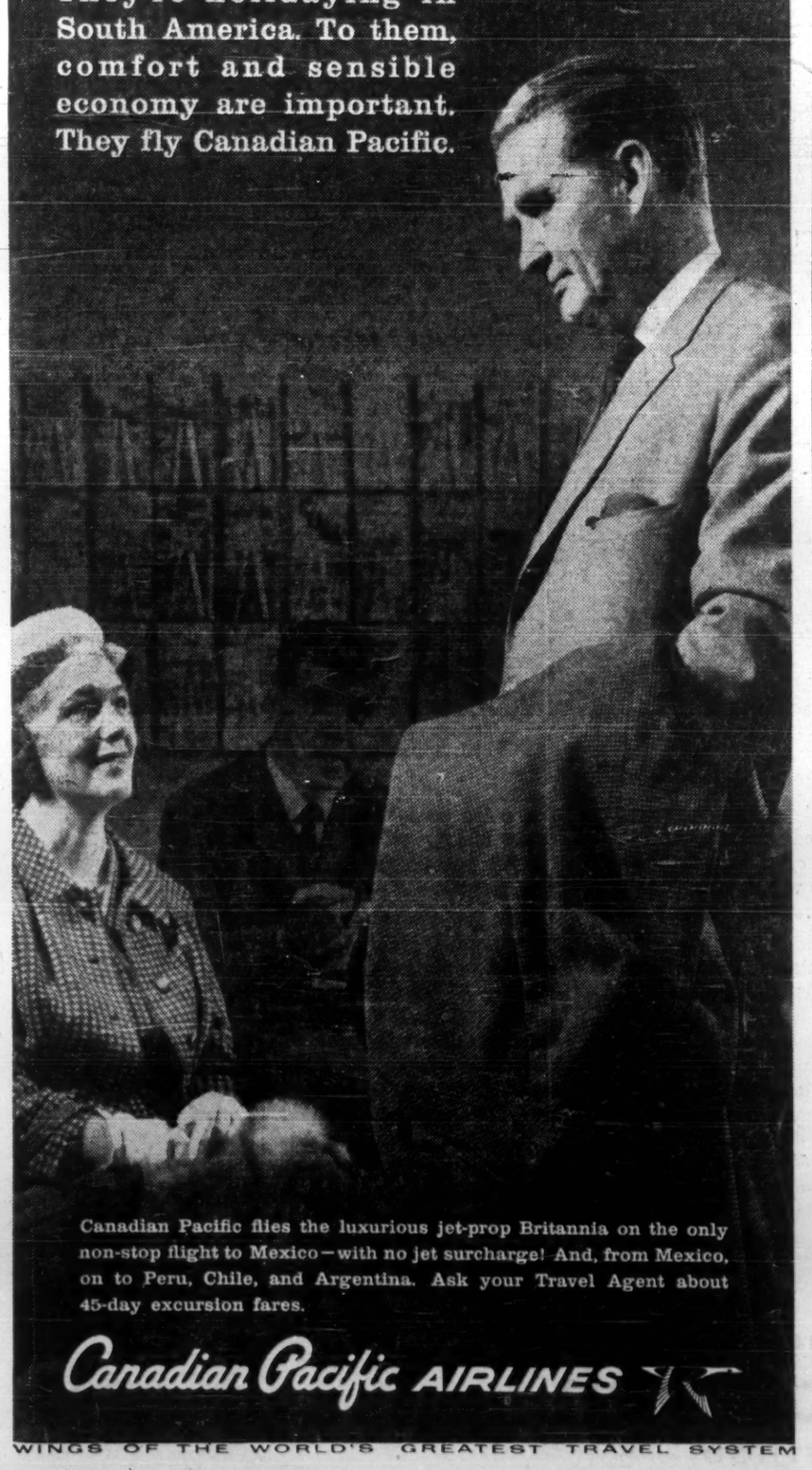
A 10-week lecture series on Canada's major industries will be repeated this fall by the University of Toronto's Extension Department.

Industries to be discussed are electric power, iron and steel, natural gas, automotive, oil, construction, pulp and paper, chemical, and mining.

Each two-hour session will consist of an introductory lecture, a technical film, a talk by a senior industry man, and a question and discussion period.

Lectures will be given Monday evenings Oct. 3 to Dec. 12 in the Mechanical Building. Fee is $25.

They're holidaying in South America. To them, comfort and sensible economy are important. They fly Canadian Pacific.



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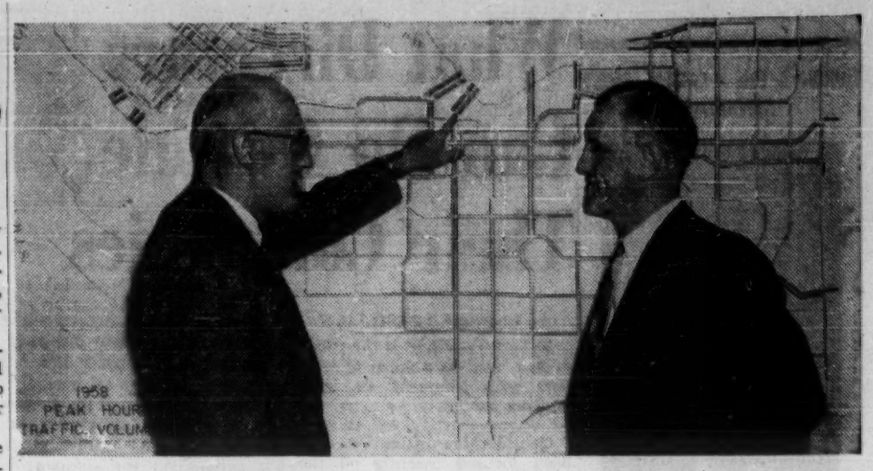

Civic Administration helps Vancouver plan ahead

Vancouver's City Engineer R. M. Martin, P.Eng. (left above), discusses a major problem with His Worship Mayor Tom Alsbury. Vancouver engineers are currently studying a suggested freeway system which would lead traffic from Vancouver's north shore, across the water of English Bay and feed south under Granville Street Bridge to avoid downtown through traffic.

Mayor Alsbury and City Engineer Martin are both readers of CIVIC ADMINISTRATION. Along with 22,800 other readers of "Canada's National Municipal Magazine" in Canada's 4,300 municipalities, they find this publication most informative. Here's what they say:

"As Mayor of one of Canada's fastest growing cities, I am vitally interested in keeping up to date on all phases of civic developments. 'Civic Administration' keeps me informed on municipal activities."—Mayor Tom Alsbury.

"I find 'Civic Administration' most informative because of its coverage of developments in other cities and municipalities where essential services must keep ahead of population and industrial growth."—City Engineer R. M. Martin, P.Eng.

You can bid for your full share of business from Canada's annual $2 billion municipal market with regular advertising in CIVIC ADMINISTRATION supplemented by catalogue-type advertising (giving product specifications) in the separate annual MUNICIPAL REFERENCE MANUAL & PURCHASING GUIDE. The advertisers' index of the monthly publication is now cross-referenced to the annual. This further extends and stimulates the effectiveness of your advertising in both publications.

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Long, pre-cured, reinforced concrete slabs are laid in place as soon as the structural frame is up. There is no formwork to build and later dismantle; no waiting for concrete to cure. The Flexicore slabs need only be levelled and grouted; they are then ready for flooring or roofing.

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Pre-stressed reinforced steel in the slabs keeps the strength up, allowing handsome clear spans and extensive cantilevers.

The over-all savings can be spectacular through speed of completion, savings in materials; and low maintenance costs.

Further details elsewhere on this page; full particulars from the company nearest you.

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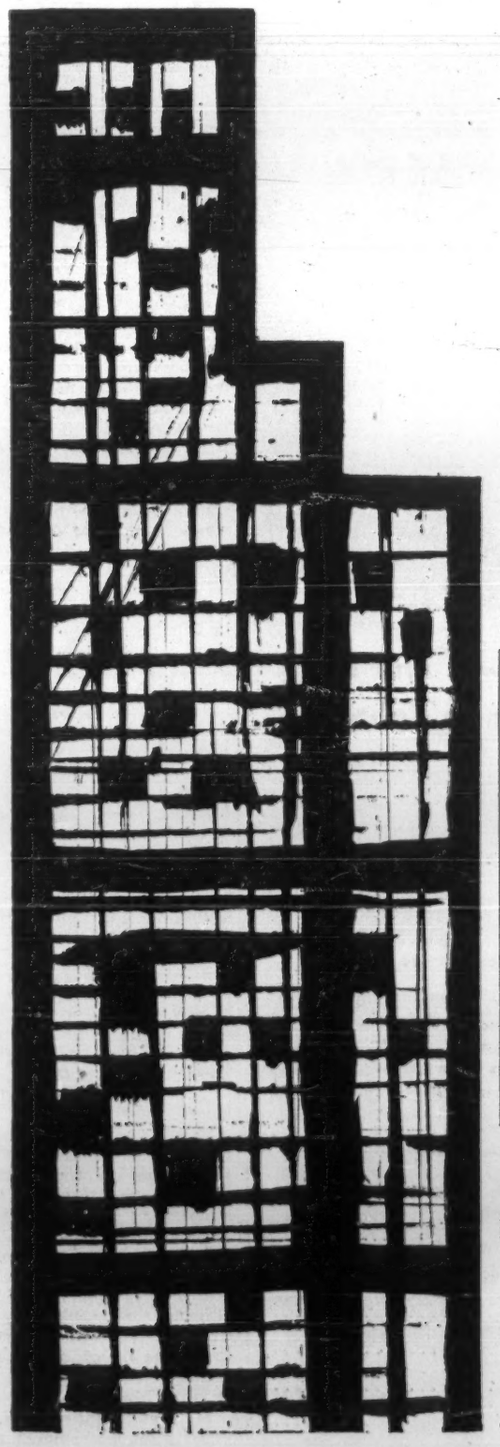

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Slab cross-sections vary; sizes range from 4" to 10"; lengths vary according to application.

Use of Flexicore means a saving of 2" to 8" per storey in wall height; a great saving in exterior material and masonry.

Underside of Flexicore surface needs only paint; no ceiling plastering. The speed of Flexicore construction results in early occupancy and revenue.

Fire-resistance is high; insurance rates low.

APPROVED CONSTRUCTION—The Flexicore system is designed to CSA standards . . . widely accepted and endorsed by leading architects and engineers . . . used on over 20,000 buildings.

CF 107 R

Stock Fund, Life Firm Offer First Variables

By H. R. SUYDAM

Canada's first public variable annuity, and the first in North America to be made available on a national scale, was unveiled this week.

Aimed at cushioning the impact of inflation on the purchasing power of the retirement dollar, through the use of an annuity backed by common stocks, the plan is being offered through investment firms coast to coast. Initial monthly annuity payments begin in January.

The plan is the joint creation of **National Life Assurance Co. of Canada,** Toronto, and **Mutual Funds Management Corp.,** Vancouver. **Toronto General Trust Corp.** will act as trustees.

At least one other variable annuity plan is expected to be offered before long by **Industrial Life,** Quebec City (**FP,** June 11). U. S. firms are also making headway in this field (p. 20).

National Life and Mutual Funds Management entered into a working partnership earlier this year (**FP,** March 26), when National Life acquired a 30% interest in the operation of the Vancouver firm's three well-known Canadian mutual funds.

One of these funds — Mutual Accumulating — will provide the common stock investment base for the new variable annuity plan.

Plan will follow the same principle as a standard type of dollar annuity issued by the government or an insurance company except that it will guarantee to pay a fixed number of units instead of a fixed number of dollars.

Participation in the plan requires assignment to the trustee of Mutual Accumulating shares—bought in the normal way from a broker or investment dealer—in exchange for which the applicant is credited with units of equivalent value in the plan.

These units in turn become the basis of an annuity for a definite number of units per month for the rest of the annuitant's life.

The mortality rate of the plan is insured by National Life under a group annuity policy issued to the trustee.

Each year the amount of any annuity payment is determined by the dollar value of the units which will, of course, fluctuate in accordance with the market value of the Mutual Accumulating Fund portfolio.

The dollar value of one unit, once established, will remain unchanged for a period of one year.

The dollar value of the unit on Jan. 1, 1961, has been established at $1. At the beginning of each subsequent year, the unit value is re-established by dividing the total number of units of the particular type of annuity plan into the value of the MAF shares held by the trustee.

Annuity payments can be arranged in three ways:

- For life.
- For life or ten years, whichever is the longer.
- For life of husband or wife, whichever lives the longer.

Minimum number of MAF shares that can be accepted in the plan for annuities on any one life is 1,500, and the maximum number is 15,000. At the recent market price of MAF shares (about $7.10 bid) this would mean a minimum of $10,650, and a maximum of $106,500.

Purchase of MAF shares includes a loading charge of 8½% for commissions, fees, etc. Discounts are allowed on investments of $25,000 and over.

On shares purchased for immediate conversion into the variable annuity plan, a total discount of 3½% is allowed for investments of less than $100,000, and 4½% for an investment of $100,000 or more.

This means that the total acquisition cost is reduced to 5% or 4%, respectively, of the public offering price of MAF shares, or roughly the cost involved in buying a regular annuity.

Conversion into units of the plan is made without charge.

The convenience of a deferred annuity can be realized through making regular purchases of MAF shares over a period of time.

The tax position of a stock-backed fund in relation to dividend tax credits is not at the moment clear. Nor is it known if the variable plan will meet with the annuity requirements of Sec. 79 (b) of the Income Tax Act.

In outlining the new plan to **FP,** National Life president Harold Lawson emphasized that the company's association in a variable annuity program does not alter its belief in the fundamental value of guaranteed dollars life insurance.

However, he feels that any modern program of retirement saving should provide a balance between guaranteed dollars and growth dollars.

House of Lords

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HALLMARK OF A FINE CIGAR

House of Lords

Big 'Copter Merger Fails; Okanagan to Run Spartan?

MONTREAL (Staff) — The great Canadian helicopter merger took what looked like a final nosedive this week.

When the smoke had cleared:

- Plans for **Bristol Aeroplane Co. of Canada** to buy **Okanagan Helicopters Ltd.** had been called off.
- Bristol President John Reynolds resigned following "a difference of opinion" with his board of directors. He was replaced by Executive Vice-president Stanley Haggeth.
- **Spartan Air Services Ltd.,** of Ottawa, a Bristol subsidiary, was still losing money at the rate of $1 million a year.
- **Autair Helicopter Services Ltd.,** which was cut out of the planned merger in June, was preparing to go to court with a $824,000 breach of contract action against Bristol and was making plans for a second damages action for alleged loss of contracts while allied with the Bristol group.
- Okanagan had agreed to examine Spartan with an eye to taking over its management under contract to Bristol.
- Plans for a Bristol public financing in Canada were shelved for the foreseeable future. (The merger had been contingent on Bristol's ability to finance it.)

If the original plan had worked, Bristol would have merged Okanagan, Autair and Spartan into by far the largest helicopter operation in the world. It had been a bold concept that could have revolutionized the helicopter business. (**FP,** July 23, June 11.)

What happens now?

Both Bristol and Okanagan were at pains this week to stress that their parting had been amicable and not necessarily lasting.

For the time being at least, it seems certain Okanagan will supply management knowhow to help hard-pressed Spartan.

Unconfirmed rumors in aviation circles are that Okanagan may soon make an offer to Bristol to take Spartan over completely.

A Bristol executive told **FP:** "Spartan is not up for sale right now, but of course if someone offered an attractive price I won't say we would not reconsider the matter."

For Bristol it means a new search for work. The company is actively examining a wide number of general industrial applications for its present aviation facilities.

SEEK NEW MILL

SAINT JOHN — Pressure is mounting for government action to encourage establishment of a new pulp and paper mill on New Brunswick's North Shore. A "Crown Land Committee" has been set up representing major towns and villages to urge the department of lands and mines to make forest limits available for bidding by backers of a new mill.

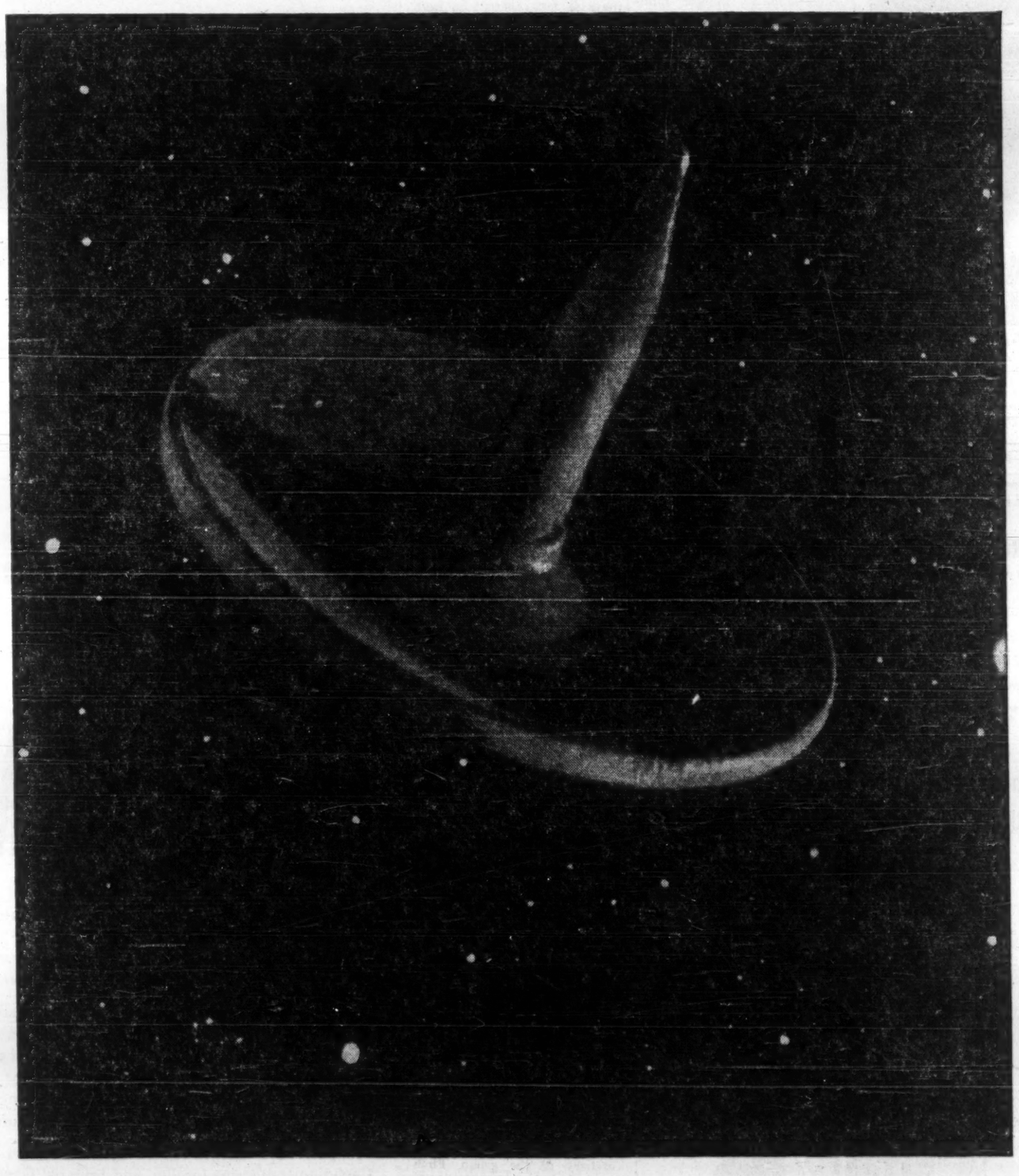
Tenders Called On Waterton Dam

From Our Own Correspondent

LETHBRIDGE — Tenders have been called for construction under the Prairie Farm Rehabilitation Act of the $7 million Waterton river irrigation dam near Hillspring in the extreme southwestern corner of the province.

Tenders close Oct. 6. Construction may start this fall. Plans call for the completion of the dam by the fall of 1963 and operation by the spring of 1964.

The dam will be the final step in the harnessing of three rivers —the St. Mary, the Belly and Waterton — in southwestern Alberta to supply irrigation water for the vast St. Mary-Milk Rivers Development stretching across the breadth of the southern part of the province.



Fast Depreciation Mainly Benefits Foreign Owners

Canada should take an independent policy on depreciation, according to Eric W. Kierans, president of the Montreal and Canadian Stock Exchanges.

The immediate beneficiary of tax concessions on a capital cost allowance basis would be foreign ownership "which now causes us so much concern," he says.

Accelerated depreciation is more suitable in countries with a labor shortage.

Canadian policy on depreciation should not be a "slavish imitation of other countries' solutions," Eric W. Kierans told the 1960 annual conference of the Canadian Institute of Chartered Accountants in Banff.

Kierans, president of the Montreal and Canadian Stock Exchanges, contended that accelerated depreciation is more suitable in countries having a labor shortage than in Canada, with its "chronic, structural unemployment problem."

Special tax concessions and privileges could have the effect of replacing labor by capital, he said.

Foreign owners control more than 62% of Canadian manufacturing, mining and smelting, oil and gas industries—the "capital-intensive sector."

"The immediate beneficiary of tax concessions on a capital cost allowance basis would be the foreign ownership which now causes us so much concern," Kierans told the chartered accountants.

Not one affirmative response was received to his recent letter to 50 U. S. corporations suggesting that they make the stock of their Canadian subsidiaries available to Canadians, he said.

Principal reason seemed to be that the firms needed no external funds, since they were generating enough funds from retained earnings and capital cost allowances to finance their expansion needs.

"By eliminating the need for the firm's recourse to the capital markets by the sale of bond or equity issues," he said, "one avoids the necessity for paying dividends or interest to owners or bondholders and thus reduces the possibility of earning income by saving and investment."

Before-tax profits of all Canadian manufacturing firms had dipped from 14.4% to 7.9% of assets, between 1950 and 1957, and dividends from 8.5% to 4.6% of equity, he said.

"This might cast some doubt on management's claim that the retention of earnings is justified by an ability to invest profits superior to that of the shareholder."

Another criticism of accelerated depreciation (deducting capital cost of an asset from taxable income of a relatively few years):

"Tax liabilities are reduced during periods of prosperity when the firm is best able to pay them, and increased during recessions when the firms, through lack of new investment and the heavy accelerated depreciation already taken, will be understating real depreciation costs and overstating profits."

In another paper, A. W. Gilmour of **Clarkson, Gordon & Co.,** suggested abolition of tax on dividends paid by Canadian companies to Canadians.

He estimated that taxes paid by individuals on dividends amount to $40 million-$50 million a year. Loss of this revenue could be replaced elsewhere, he said.

"The benefits resulting from the simplification of the (Income Tax) Act, and in particular the elimination of the administrative work in dealing with dividends, would more than compensate for the loss of revenue," Gilmour said.

A plea for clearer language in tax legislation was made by Prof. W. G. Leonard of Queen's University, in a panel discussion on taxation of partnership and joint venture income.

"The language used (in present tax law on such income) is obscure and the structure is inverted, abounding in double negatives. At least one prohibition and an exception to the prohibition seem always to be needed to state one positive requirement," Leonard said.

"It is little cause for wonder that the common-sense, everyday meaning of this indirect, inverted language (whenever there is such a meaning) somehow fails to leap to the eye at first reading."

(Advertisement)

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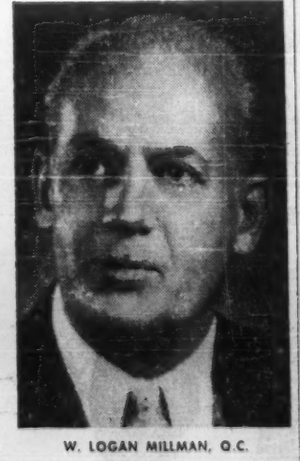

W. LOGAN MILLMAN, Q.C.

At a meeting of the Directors of The Industrial Mortgage and Trust Company held in Sarnia on August 10, 1960, Mr. W. Logan Millman, Q.C., was appointed a Director of the Company.

Mr. Millman is a member of the legal firm of Cowan, Millman, Higgins and Crozier.

I·A·C· enlarges on a point of attack!

WHAT'S THIS ... a space platform in orbit around the earth? Not at all. Magnify a familiar object, like this thumb tack on a sheet of carbon paper, and it can be very hard to identify.

Your financing requirements are magnified too as your company grows. Here's where Industrial Acceptance Corporation can help you. Through the I.A.C. Industrial Plan you can purchase machinery or equipment on a *pay-as-you-profit* basis. Your working capital remains intact to meet opportunities for expansion.

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O'KEEFE SYMBOL, an armored knight with sword, shield and scroll, appears on the brewery's bottle label (left) and on the O'Keefe Centre's ads and order forms.

'Biggest' PR Venture Links Ale to the Arts

What may be the biggest chunk of institutional public relations ever created in Canada will open next week:

Toronto's $12-million O'Keefe Centre for the Performing Arts.

It's a 3,200-seat theatre built by **Canadian Breweries Ltd.**, one of whose subsidiaries markets a line of brew under the name of O'Keefe.

What will Canadian Breweries get out of its large capital outlay (plus its agreement to underwrite any operating losses)?

FP asked a few prominent pr experts to comment.

They agreed that the O'Keefe Centre holds an "infinite" number of publicity angles for Canadian Breweries . . .

- **Advertising and mailing** pieces for the O'Keefe Centre feature the same knight-and-shield symbol used on O'Keefe labels. Thus ale and art get tied together.
- **The name O'Keefe** is emblazoned on the centre's building.
- **The brewery** gets named whenever the tie-in of beer and the performing arts becomes a public topic or controversy.
- **If the centre loses money,** there will be public attention when Canadian Breweries pays up the difference.
- **If the centre makes a profit,** the public will know that the brewery agreed to give this money to charity.
- **Feature articles** about the centre will mention the sponsorship.

James A. Cowan, long-time Canadian pr consultant, thinks the O'Keefe Centre will give Canadian Breweries "terrific public relations leverage", but "the value of the publicity will be tied in with the success of the centre".

Cowan pointed out that the O'Keefe knight may be carrying a two-edged sword.

"Who knows, the public might get annoyed about something at the centre," he said.

Cowan believes the brewery deserves every bit of publicity it can get in return for backing this major undertaking.

"The centre will keep the O'Keefe name before the public. I don't know how much beer it will sell," he said.

Many prominent Canadian business names appear on public places, and they're part of our vocabulary today, other pr experts say.

"In the case of Molson Stadium in Montreal, Labatt Park in London, the Eaton Auditorium and Massey Hall in Toronto, the names of leading, living families were given to the public properties endowed by the companies they controlled," another public relations consultant says.

To hold with tradition, Canadian Breweries insists that its arts centre commemorates Eugene O'Keefe, who died many years ago.

O'Keefe came to Toronto from Cork in Ireland as a boy of five in 1832, eventually grew wealthy through his brewery — founded in 1861 — and his interest in the **Home Savings & Loan Association,** predecessor of the ill-fated **Home Bank.**

His best known philanthropies: Construction of a church and a seminary in Toronto.

The general opinion of pr men about the O'Keefe Centre:

"More power to Canadian Breweries, no matter what the temperance cranks say.

"Let's see more sponsorship by private companies. Let them have all the publicity they can get for their money — as long as Canadian culture gets a boost."

P.S.: The centre's opening offering is the world premiere of the new Lerner and Loewe musical, Camelot.

ANNOUNCEMENT

F. J. HUNTER, C.P.A.

The appointment of Mr. F. J. Hunter to the position of Controller and to the Board of Directors of Dominion Cellulose Limited and its subsidiary, National Cellulose Limited, has been announced by Mr. Menzie Gibson, President. Mr. Hunter has been associated with the company since 1947.

CANADIAN ASSOCIATION OF PURCHASING AGENTS

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Registrations are now being accepted for the new term, commencing in October, for this TWO-YEAR COURSE, which is given in conjunction with the University of Toronto and leads to a CERTIFICATE.

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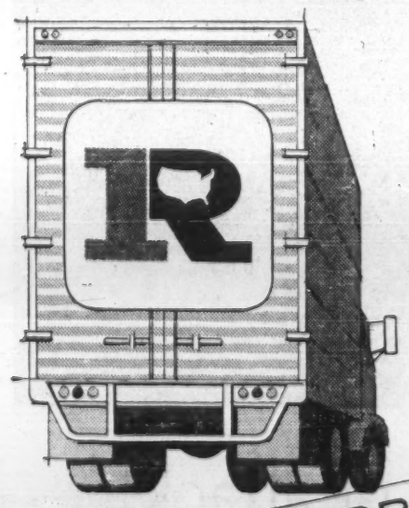

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Coal Shipment by Pipeline Tried Out in Alberta Lab

From Our Own Correspondent

EDMONTON — Miniature plastic pipelines trung out in the quarters of the Alberta Research Council here may be the forerunner of a future transportation system that will move Alberta products to Eastern Canada.

Scientists are looking at the possibility of using oil pipelines for the transport of such things as coal and plastic torpedoes containing grains, plastics, potash and other products from the west's agricultural and manufacturing industries.

It is possible that oil—the resource that helped tumble Alberta's once-booming coal industry to its now lowly status—may well be the instrument that helps it regain more prosperous levels.

(For more news of the coal industry see **FP** feature report, pp. C1-C12.)

In their coal transportation tests, scientists are using pipeline just over 1 in. in diameter. They suspend fine coal particles in oil.

They are taking a close look at such problems as particle size, coal concentration and flow velocity of the mixture.

The effects of abrasion also enter the picture.

The wearing down of coal particles while passing through the line will, for example, change the flow velocity.

Even the kind of coal must be considered. Some coals may work better in the oil than others. A way also has to be found of mixing the coal with the oil and then, at the other end of the pipeline, separating them.

New meters may have to be invented to gauge the flow. Coal particles have a habit of plugging up most ordinary meters.

These tests are taking place in relatively small space. The pipeline mockup is 90 ft. long and only 24 ft. is being used. But scientists expect experiments will indicate behavior of this kind of coal transportation over great distances.

The research council is also planning to carry out experiments with pneumatic coal lines to transport coal one or two miles.

The "torpedo" tests are being run through a 30-ft. pipeline.

Scientists load the hollow capsules with lead pellets and send them moving down the pipeline. The capsules range in size from 7 in. by 1 in. diameter torpedoes to marble-sized balls as scientists try to determine the best size and shape.

If enlarged to run through an 18-in. diameter pipeline, the 7-in. torpedo, for example, would be about 6 ft. long when scaled up.

A vertical pipeline with a round endless belt running through it has been rigged up to simulate a continuous stream of capsules.

Scientists think such a system would be cheaper than existing truck and rail transportation lines—but slower. Speed attained by the capsules would be less than 10 mph.

Firth Cleveland Sets Up Second Firm in Canada

Stenor (Canada) Ltd., a newly-formed company, will sell vulcanizing machines, materials and other equipment for the repair of tubes and tires in Canada.

Company is a member of the **Firth Cleveland Ltd.,** group, London, Eng., and will be located at 94 Laird Drive, Toronto, head office of another Canadian subsidiary of the group, **Firth Cleveland Ltd.** Stenor will operate independently.

Stenor will also handle industrial materials and equipment for repair of such things as fire hoses and conveyor belts.

J. D. Goddard of the parent group in England is now making a cross-Canada tour to survey the market possibilities for Stenor products. A Canadian manager for Stenor will be appointed shortly.

The Firth Cleveland group hopes eventually to set up manufacturing operations in Canada as a group. However, Goddard told **FP**, as the market grows, Stenor will probably be the first of the group to establish manufacturing facilities.

Firth Cleveland Ltd., Toronto, representing the steel portion of the parent group in England, sells wire products, hollow bored bar and machine tools, rod rollers and welded wire mesh, etc.

Can You Call a Man a "Failure" at Thirty?

Men who think that success is only a matter of "a few years" are failures . . . however young they are!

How often have you heard some young man in business say, "I'll admit the job I have now isn't much but, after all, I'm only in my twenties."

Or: "Just about every executive in the company I work for is between 45 and 65. I have plenty of time to get ahead."

This *mistaken* idea that success comes automatically with time is easy to understand. Promotions do come regularly and effortlessly to young men of promise. *But* the day arrives, often abruptly, when that promise must be *fulfilled*. Native ability and intelligence can carry a man only to the midway point in business—beyond that he must *prove* his capacity to justify a position of executive responsibility. That calls for a practical, working knowledge of business fundamentals.

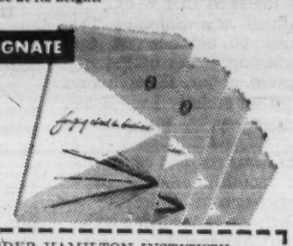
The time to build that knowledge—to lay a solid groundwork for your future progress—is now . . . *now* while time is still on your side. If you fail to recognise that fact, you'll know only struggling, skimping and regret when your earning power should be at its height.

FOR THE BUSINESS MAN WHO REFUSES TO STAGNATE

HALF the world is half asleep! Men who could be making twice their present salaries are coasting along, hoping for promotions but doing nothing to bring themselves forcefully to the attention of management. They're wasting the most fruitful years of their business lives . . . throwing away thousands of dollars they'll never be able to make up.

If you want to discover how to start to succeed while you're still young—if you want to avoid the heartbreak of failure in later years—send today for "Forging Ahead in Business" . . . one of the most practical and helpful booklets ever written on the problems of personal advancement. You will discover what the qualifications of an executive are in today's competitive market . . . what you must know to make $15,000, $20,000 or more a year . . . what you must do to accumulate this knowledge.

"Forging Ahead in Business" was written for ambitious men who seriously want to get down to bedrock in their thinking about their business future; there's no charge for the booklet because, frankly, we've never been able to set a price on it that would reflect its true value. Some men have found a fortune in its pages. If you feel that it's meant for you, simply fill out and return this coupon. Your complimentary copy will be mailed to you promptly.



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The polythene resin is being supplied half-and-half by Canadian Industries Limited and Imperial Chemical Industries Limited in the U.K. **Polythene today** has many, many uses—as film, pipe, housewares, wire and cable insulation and sheathing, paper coating, containers. **It could mean improved performance and added sales value for your products.** Check the possibilities with Canadian Industries Limited, Plastics Division, P.O. Box 10, Montreal.

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F. L. NORWOOD, F.C.A.

Supertest Petroleum Corporation, Limited is pleased to announce that Mr. F. L. Norwood, F.C.A., Treasurer of the Corporation, has been appointed a Director.

REAL ESTATE SALES

Sales of real estate through the multiple listing bureau of the Westminster County Real Estate Board, Westminster, B.C., for the 11-month period ending Aug. 31 totaled $6.9 million — an increase of $241,619 over the same period last year. Total sales for the last fiscal year, ending Sept. 30, 1959, were just over $7 million.

Canada's Civilian Navy Little Aid to Builders

Six small vessels for our new "coast guard" won't be built before next year.

"They're boats . . . overgrown yachts," snarls one shipyard official, whose industry is starving for orders.

There's some worry that shipyard employment may drop below its 1950 postwar low.

By ERIC RICHTER

Creation of a Canadian "coast guard" will do little to ease the plight of the nation's order-starved shipbuilding industry which faces one of the bleakest winters in a decade (FP, July 16).

● **Orders for the six patrol cutters that will form the backbone of our "civilian navy" can't be placed with yards before late next summer at the earliest.**

● **The vessels to be built are small.** Ranging in length from 75 ft. to 125 ft. they don't promise industry very much to chew on.

"Ships bah! They're boats, or if you prefer, overgrown yachts," one builder snorts.

In the last few months, activity in Canada's shipyards from coast to coast has steadily slackened. Probably under 9,500 are working in the industry, down from 11,200 in late spring and 10,300 at mid-year.

Industry officials predict further major layoffs as vessels are completed and turned over to owners.

Reason: Virtually no new orders are coming in.

There is even some speculation that, in the months ahead, employment may drop below the postwar low of 8,500 in 1950.

This low compares with a peak of 19,600 in 1953.

Builders also express concern over the high proportion of salaried employees in the employment totals. Out of the 10,371 employed at the end of June, 1,570 or 15% were salaried leaving only 8,801 hourly rated workers.

While yards have been laying off hourly rated workers as jobs have been completed, most have been trying to retain key salaried employees to "keep the team together" in case new business materializes.

The small shipyards have been particularly hard hit by the building slump. Four — **Port Arthur Shipbuilding Co., Kingston Shipyards Ltd., Geo. T. Davie** and **Ferguson Industries Ltd.** have no ships under construction at all.

In most cases, repair work is the only thing that's keeping these yards alive and, say builders, there's precious little of that.

Position of several other yards is also precarious:

After **Collingwood Shipyards** gets a 750-ton passenger ferry out of the way this fall, it will have only a 6,000-ton package freighter being built for **Canada Steamship Lines Ltd.** That freighter is due to be turned over to the owners next spring.

Port Weller Dry Docks Ltd. has only one order at hand, a passenger-cargo vessel which Canada is giving to the West Indies Federation.

On the West Coast, the picture is grim.

Victoria Machinery Depot Co. and **Yarrows Ltd.** are sharing an order for a destroyer escort of the Repeat Restigouche class.

Victoria Machinery is building the hull, which it is scheduled to turn over to Yarrows for fitting out next spring. The hull is the only order on the books.

Yarrows has two steel barges to work on until it gets the hull from Victoria Machinery next spring.

Burrard Dry Dock Co., the third Pacific Coast yard, has orders for a hopper dredge for the Department of Public Works and a destroyer escort for the RCN.

In the St. Lawrence area, **Canadian Vickers** told FP steel work on orders at hand will probably be completed by January. The company is building a 17,300 ton bulk carrier for **Scott Misener Ltd.**, the second cargo-passenger vessel to be given to the West Indies Federation, and destroyer escort. Both civilian ships are due for completion next year.

Marine Industries Ltd., Sorel, is just starting work on a destroyer escort. It is also building a small tanker for its own account.

Davie Shipbuilding Ltd. has two bulk freighters under way, one for **N. M. Paterson & Sons**, the other for **Canada Steamship Lines**. Further, company is building a fleet oiler — supply vessel for the RCN.

On the Atlantic coast, **Halifax Shipyards** — a Dosco subsidiary — has four vessels.

It is building an automobile passenger ferry for delivery in 1961, a 179-ft. fisheries patrol boat and a 100-ft. inshore survey vessel.

In addition, the company has just started work on the sixth and last unit in the RCN's Repeat Restigouche program.

Saint John Shipbuilding & Dry Dock Co. is scheduled to deliver a passenger-cargo vessel to Department of Transport this fall. It is building a $6.5 million hydrographic oceanographic survey vessel for Department of Mines and Technical Resources and a 90-ft. twin screw diesel tug for Department of Works.

The six patrol cutters for Canada's civilian navy will be designed in this country, built in Canadian yards and will incorporate, wherever possible, Canadian-made equipment, a DOT official told FP.

Design for the ships has not yet been ordered, it is understood.

As a result, tonnage of the vessels and the question of whether they will mount light weapons like the U.S. Coast Guard has not been determined.

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Our Engineers on Tour Aim for Closer S.A. Tie

A 15-member Canadian mission of consulting engineers are touring South American cities.

The engineers will attend the sixth convention of the Union Panamericana de Asociaciones de Ingenieros in Buenos Aires.

Spokesman for the group is Charles C. Huston, head of a Toronto firm of mining geological consultants. Secretary is Raymond A. Frigon, chief of Engineering & Equipment Division of Department of Trade & Commerce, Ottawa.

"The main objective of this Canadian mission is to encourage closer relations between Canadian and Latin American members of the profession," Gordon Churchill, Trade & Commerce minister, says.

The mission, under the auspices of the department, will visit Santiago, Lima and Bogota following the Buenos Aires conference.

Other mission members:

G. R. Adams, **Foundation of Canada Engineering Corp.**, Toronto.

W. H. Beaton, partner in Montreal firm of **Beauchemin-Beaton-Lapointe.**

C. A. Dagenais, of **Surveyor, Nenniger & Chenevert**, Montreal.

Nicholas Fodor, president of **Nicholas Fodor & Associates Ltd.**, Toronto.

R. McL. P. Hamilton, president of **General Engineering Co.**, Toronto.

G. G. Hatch, president of **W. S. Atkins & Associates Ltd.**, Toronto.

A. T. Hurter, president of **Stadler Hurter International Ltd.**, Montreal.

C. F. Morrison, partner with **Morrison, Hershfeld, Millman & Huggins**, Toronto, and head of civil engineering department of University of Toronto.

W. N. Papove, general manager of **Pathfinder Engineering Ltd.**, Vancouver.

Paul Pelletier, president of **Paul Pelletier Engineering Ltd.**, Montreal.

K. F. Tupper, president of **Ewbank & Partners (Canada) Ltd.**, Toronto.

J. A. Vance, president of **Vance, Needles, Bergendoff & Smith Ltd.**, Woodstock, Ont.

H. M. Wright, president **Wright Engineers Ltd.**, Vancouver.

Name 15 Designers Winners in 1960 Type Competition

Designers in Vancouver, Ottawa, Montreal and Toronto have won awards in "Typography '60" —third annual competition and exhibition of Canadian printing design.

The event is sponsored jointly by Society of Typographic Designers of Canada and **Rolland Paper Co.** of Montreal.

Winning pieces, plus others, will be displayed in Toronto, Montreal and Ottawa. There were 1,500 entries in this year's competition.

Award winners:

Allan Fleming, Toronto, best letterhead design, institutional and prestige printing, complete company magazine; Arnold Rockman, Toronto, complete book design; Harold Kurschenska, Toronto, books, case design; Leslie Smart, Toronto, book jacket; Ken Rodmell, Toronto and London, Eng., company magazines; Donald Grant, Toronto, cultural events; Theo Dimson, Toronto, direct mail; Graham Bardell, Montreal, company magazine cover; Rolf Harder, Montreal, miscellaneous award.

Ted Bethune, company annual report; Robert H. Reid, consumer magazines; Hugh Michaelson, Charles Mayrs and Norman Takeuchi, all of Vancouver, Rolland Medal for student design; Paul Arthur, Ottawa, books.

Assumption Gives 10 Scholarships

Assumption University of Windsor has awarded 10 new scholarships to students entering the university.

They range in value up to $3,200 over a four-year period.

Eight of the scholarship winners are Windsor and Essex County students.

Six awards (one for non-Ontario student) are worth $500 a year for four years for local students, $800 a year for out-of-town winners. Another four scholarships provide free tuition for four years to local students.

PRUDENT MEN

All wise people know the real value of a prudent man's advice. A trusted man of integrity, whose motivations are above reproach, is the single, most desirable element required for successful guidance and objective direction in any line of endeavour.

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Du Pont Plant New Customer For Lakeland

Du Pont of Canada's big nylon plant near Kingston, Ont. plans to switch over to natural gas as a fuel by the beginning of next month. The gas will replace coal imported from the U. S.

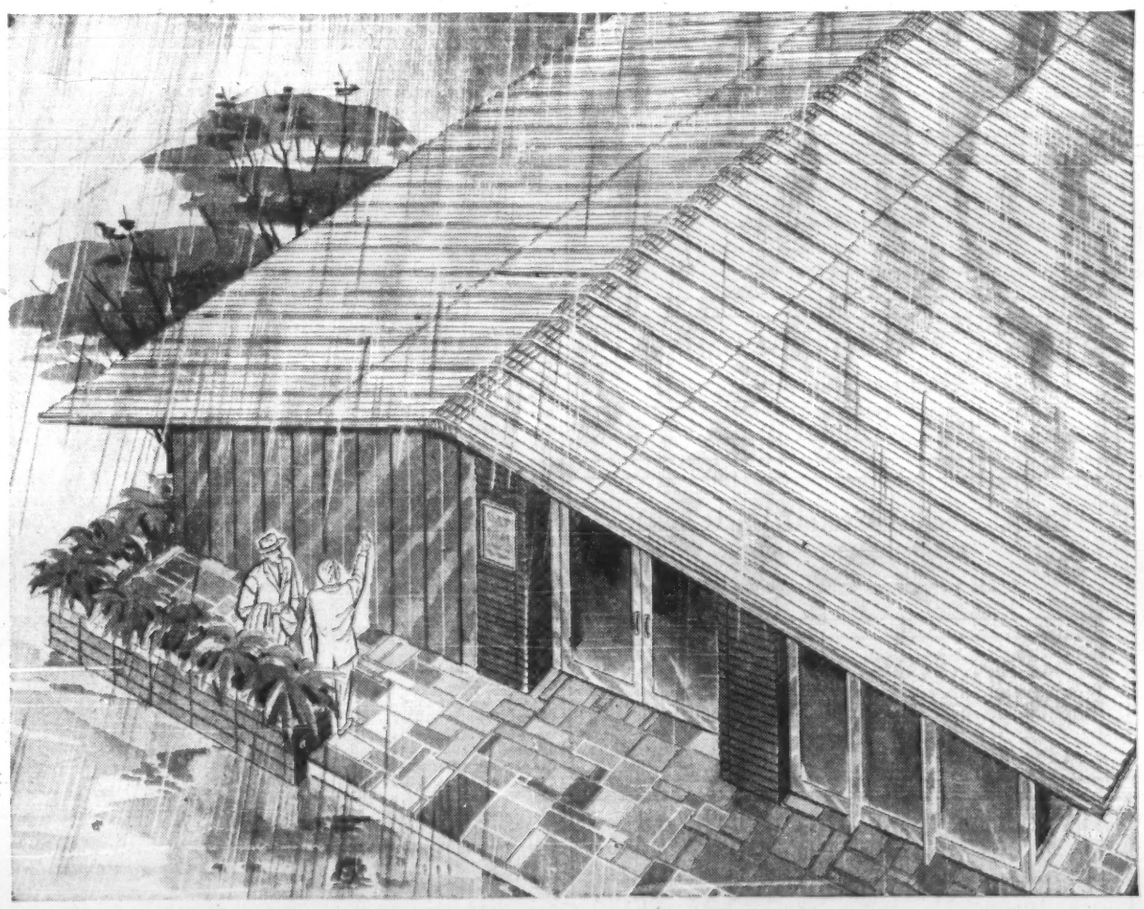
Gas will be furnished by **Lakeland Natural Gas Ltd.** through five and one half miles of large diameter delivery pipe now being installed.

Initial deliveries will run as high as 2.1 million cu. ft. per day.

Availability of natural gas both as a fuel and chemical raw material will facilitate future plant expansion at the Kingston site, provide improved flexibility of operation and assist in company's smoke abatement program, a Du Pont official says.

SEPTEMBER OIL VOLUME

Estimated deliveries through **Interprovincial Pipe Line Co.'s** system in September are 337,840 b/d. This compares with actual daily deliveries of 352,429 bbl. in August. Actual eight-month pipeline deliveries this year average 360,623 b/d (334,907 b/d in the same period last year).



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Here's another reason to "go Butler" for your new building this year. You can have a preferred aluminum roof so superior that we are now able to offer a *20-year guarantee.*

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Where Mutual Funds Invest

(CONTINUED FROM P. 26)

Simple percentage statistics do not always tell the complete story of the share in the equity of a company. Some corporations have preference stock outstanding which also is entitled to participate in extra dividends, or even vote. This doesn't affect the over-all picture greatly, however.

Also, these percentages do not account for stock which may not be available for public distribution.

Of 409,650 class A shares of **Charles E. Frosst Co.** now outstanding, for instance, the funds hold 58,000 shares. But only 195,000 shares of Frosst were offered to the public. Consequently, the funds hold 30% of the publicly held stock of this company.

Of the stocks held by 28 funds surveyed by **FP** (19 Canadian owned funds and nine non-resident owned), almost all are securities listed on either the Toronto Stock Exchange or Montreal Stock Exchange.

Very few securities held are of obscure companies and only two holdings have no market value.

There is not one stock that is the unanimous choice of all the fund managers. But many of their opinions do coincide.

International Nickel Co. is held by 25 of the 28 funds.

Other popular choices include **Steel Co. of Canada** and **Aluminium Ltd.** held by 24 funds, **Interprovincial Pipe Line**, included in 23 portfolios and **Royal Bank of Canada, British American Oil, MacMillan, Bloedel & Powell River, Abitibi Power & Paper** and **Industrial Acceptance Corp.** in 22.

At the other end of the scale, 92 securities have been purchased by only one fund. Of these, eight are rights or warrants and over one third are gas and oil or mining companies.

The most popular stocks also make up the greatest dollar amounts. Only 7% of the stocks, held by 19 or more funds, account for some $311 million of holdings.

This means that almost 50% of the money put into Canadian equities by mutual funds is going into just 20 companies.

These 20 companies are:
International Nickel Co.
Interprovincial Pipe Line Co.
Steel Co. of Canada.
Aluminium Ltd.
Royal Bank of Canada.
British American Oil.
MacMillan, Bloedel & Powell River Co.
Abitibi Power & Paper.
Industrial Acceptance Corp.
Canadian Bank of Commerce.
Shawinigan Water & Power.
Imperial Oil.
Dominion Tar & Chemical Co.
British Columbia Power.
Massey-Ferguson.
Dominion Foundries & Steel.
St. Lawrence Corp.
Bank of Nova Scotia.
Moore Corp.
Calgary Power Co.

In addition more than $10 million is invested in the common stock of each of **Algoma Steel, Bell Telephone Co., British Columbia Forest Products, Consolidated Paper Co.** and **Hiram Walker, Gooderham & Worts.**

The performance of relatively few companies can have a very large effect on the performance of the mutual funds.

Money going into the market through non-resident owned (NRO) funds is concentrated in even fewer stocks than money from the Canadian funds. The dollar value involved is also smaller.

Canadian funds hold collectively 230 securities while NRO funds have 172 Canadian equities in their portfolios. A total of 132 stocks are held by both Canadian and NRO funds.

No clear pattern emerges of stocks invested in by Canadian owned mutual funds and not by NRO's.

However, of the 39 companies decided on by the NRO managers and not by Canadian funds' management, 21 are in the mining or oil and gas industry.

Here are Stocks the Funds Hold

	Funds Holding	No. of shares held	Market value $	% of o/s capital held by Cdn. Fds. %	% of o/s capital held by NRO Fds. %	Total % of o/s stock held %
Abitibi Pulp & Paper	22	368,855	14,339,238	4.2	4.7	8.9
Alberta Gas Trunk	11	97,475	2,546,534	4.7	0.8	5.5
Algoma Steel	17	412,205	13,963,444	3.0	4.2	7.2
Aluminium	24	423,957	13,089,672	0.8	0.6	1.4
Anglo-Cdn. P. & P.	8	690,400	2,602,500	2.2	3.3	5.5
Anglo-Huronian	2	20,300	170,495	0.5	1.0	1.5
Anglo-Nfld. Devel.	2	49,800	323,700	0.1	0.8	0.9
Asbestos Corp.	8	97,475	2,546,534	4.7	0.8	5.5
Atlas Steels	8	147,950	3,217,913	7.0	6.7	13.7
Administration & Trust	1	500	5,000	0.8	..	0.8
Alberta Gas Trunk wts.	1	25,000	107,500	..	..	..
Algoma Central & H.B.	1	1,500	25,500	0.1	..	0.1
Anglo-Amer. Explor.	1	5,150	32,703	0.4	..	0.4
Ashdown Hdwre. 'B'	2	9,500	119,938	0.3	..	0.3
American Nepheline	1	48,900	20,538	..	1.2	1.2
Argus Corp.	2	27,220	843,820	..	1.6	1.6
Bailey Selburn 'A'	3	59,500	359,975	0.6	1.5	2.1
Bank of Montreal	16	147,976	8,471,626	1.7	0.7	2.4
Bank of Nova Scotia	18	117,473	7,342,063	3.2	2.2	5.5
Banque Cdn. Nat.	15	70,903	3,828,762	6.2	0.9	7.1
Bathurst P. & P. 'A'	5	21,925	898,925	2.2	3.3	5.5
Bell Telephone	13	239,809	11,241,047	0.9	0.2	1.1
British American Oil	22	437,400	12,848,625	1.2	0.9	2.1
B.C. Forest Products	4	227,100	10,668,425	0.7	5.9	6.6
B.C. Power	19	397,132	13,402,488	5.4	3.3	8.7
Building Products	4	30,000	1,020,000	5.0	1.2	6.2
Bank of N.S. rts.	2	6,301	34,025	..	..	..
Bathurst P. & P. 'B'	1	3,675	121,275	1.1	..	1.1
Beatty Bros.	1	5,000	31,250	1.2	..	1.2
Branport Holdings	1	100,000	5,000	..	..	..
Brewer Lumber	3	25,200	548,100	3.2	..	3.2
B.C. Telephone	2	3,500	163,188	0.2	..	0.2
Burlington Steel	1	2,510	38,125	0.7	..	0.7
Burns Co.	2	14,000	185,500	1.8	..	1.8
Banff Oil	1	330,000	323,400	..	9.3	9.3
Barnat Mines	1	280,300	409,238	..	7.0	7.0
British Nfld. Corp.	2	279,000	558,000	..	8.0	8.0
Brunswick Mining	1	200,000	630,000	..	5.0	5.0
Calgary & Ed. Corp.	9	275,500	4,494,938	0.4	11.0	11.4
Calgary Power	17	703,675	16,184,525	6.4	7.0	13.4
Canada Cement	9	139,000	3,787,750	1.2	4.6	5.8
Can. Iron Found.	9	33,950	437,200	0.2	0.2	0.4
Can. Packers 'A'	3	24,000	115,200	5.0	1.0	6.0
Cdn. Bk. of Commerce	21	233,349	13,242,556	2.9	1.5	4.4
Cdn. Breweries	13	117,962	7,130,994	3.1	1.1	4.2
Cdn. Husky Oil	9	431,900	2,612,995	1.0	13.2	14.2
Cdn. Industries	5	60,224	910,888	0.2	0.5	0.7
Cdn. Oil Cos.	15	290,850	6,398,700	4.5	6.6	11.1
C.P.R.	12	216,500	5,168,938	0.8	0.7	1.5
Cdn. Superior Oil	6	161,000	1,610,000	0.8	2.8	3.6
Cdn. Tire Corp.	2	490	85,260	0.2	0.1	0.3
Cassiar Asbestos	6	246,000	2,921,250	0.4	5.8	6.2
Central Del Rio	5	106,900	587,950	0.7	1.0	1.7
Chartered Trust	3	4,420	269,620	1.2	3.7	4.9
Consol. Paper	16	450,875	18,824,031	3.1	4.6	7.7
Consol. Mining & Smelting	10	193,450	3,824,944	0.6	0.6	1.2
Consumers' Gas	14	151,883	2,240,274	5.3	1.8	7.1
Conwest Explor.	2	60,000	183,000	0.4	2.0	2.4
Campbell Red Lake	1	1,500	19,125	0.1	..	0.1
Can. & Dom. Sugar	2	4,500	780,750	0.3	..	0.3
Can. Crushed & Cut Stone	1	5,000	66,250	2.6	..	2.6
Can. Malting	2	4,000	235,000	1.9	..	1.9
Can. Packers 'B'	1	10,000	470,000	1.3	..	1.3
Can. Wire & Cable 'B'	2	2,500	20,000	0.2	..	0.2
Cdn. Breweries rts.	2	16,500	12,045	..	..	..
Cdn. Bronze	3	17,500	341,250	10.9	..	10.9
Cdn. Canners 'A'	1	2,800	39,200	0.6	..	0.6
Cdn. Celanese	4	30,500	610,000	2.5	..	2.5
Cdn. Dredge & Dock	1	1,500	19,500	0.3	..	0.3
Cdn. Husky Oil wts.	1	1,000	3,000	..	..	..
Cdn. Ingersoll Rd.	1	400	16,000	0.1	..	0.1
Cdn. Western Nat. Gas	1	1,100	17,875	0.1	..	0.1
B. J. Coghlin	1	3,000	9,000	2.1	..	2.1
Combined Enterprises	1	30,000	247,500	5.0	..	5.0
Confederation Life	1	1,140	155,040	1.1	..	1.1
Consol. Denison	1	6,900	67,620	0.2	..	0.2
Consumers Glass	2	6,000	141,000	1.9	..	1.9
H. Corby Distillers	1	10,000	166,250	0.9	..	0.9
Cosmos Imperial	1	4,500	528,750	1.1	..	1.1
Crown Cork & Seal	1	1,220	67,100	1.2	..	1.2
Campbell Chib.	1	100,000	710,000	..	2.8	2.8
Can. Southern Pete	1	200,000	620,000	..	3.2	3.2
Cdn. Chemical	2	91,900	620,325	..	1.8	1.8
Cdn. Devonian	1	24,000	72,000	..	0.7	0.7
Cdn. Export Gas	1	716,000	1,310,280	..	9.7	9.7
Cdn. Int'l. Power	3	248,156	2,791,755	..	10.9	10.9
Cdn. Westinghouse	3	9,568	342,056	..	1.6	1.6
Consol. Mic Mac	2	280,000	560,000	..	11.0	11.0
R. L. Crain	1	15,850	285,300	..	3.7	3.7
Crown Life	3	7,300	1,401,600	..	7.3	7.3
Crow's Nest Pass Coal	1	20,150	387,620	..	3.5	3.5
Crown Zellerbach (Can.)	2	10,775	215,500	..	0.2	0.2
Distillers Corp.	6	113,200	3,339,400	0.8	0.5	1.3
Dome Mines	5	29,600	599,400	1.3	0.3	1.6
Dome Pete	7	356,900	2,676,750	0.5	13.7	14.2
Dominion Bridge	12	214,675	3,703,144	4.9	3.4	8.3
Dom. Foundries & Steel	19	315,993	14,219,685	6.3	2.7	9.0
Dominion Glass	7	24,725	1,829,650	4.6	1.3	5.9
Dominion Stores	9	156,202	9,723,575	4.0	5.7	9.7
Dom. Tar. & Chem.	19	773,970	10,061,610	5.3	6.2	11.5
Dom. Textiles	5	135,500	1,236,438	3.9	1.4	5.3
Du Pont of Canada	8	60,045	1,230,923	0.3	0.5	0.8
Dom. & Anglo Invest.	2	1,150	592,250	11.2	..	11.2
Dominion Corset	1	2,000	34,000	1.5	..	1.5
Dominion Oilcloth	5	31,000	906,750	4.1	..	4.1
Dominion Scot. Ind.	1	2,815	76,005	3.2	..	3.2
Donahue Bros.	2	7,200	111,600	1.2	..	1.2
Eastern M. & S. wts.	1	2,500	*	..	..	..
Economic Invest Pr.	1	2,745	93,330	0.2	..	0.2
Eddy Paper	1	9,750	565,500	..	2.9	2.9
Excelsior Life Ins.	1	1,665	41,625	..	6.7	6.7
Falconbridge Nickel	6	49,000	1,690,500	0.5	0.6	1.1
Ford of Canada	8	35,685	4,514,153	1.9	0.3	2.2
Foundation Co.	6	28,600	286,000	2.1	0.3	2.4
Fraser Cos.	13	162,615	4,268,644	5.0	2.4	7.4
French Pete	2	160,000	600,000	0.1	1.3	1.4
Chas. E. Frosst 'A'	7	58,000	870,000	2.0	12.2	14.2
Famous Players Cdn.	5	34,300	746,025	2.0	..	2.0
Fanny Farmer	1	2,000	37,000	0.6	..	0.6
Federal Grain 'A'	1	1,200	53,400	0.8	..	0.8
Fruehauf Trailer	1	28,225	119,956	..	3.1	3.1
Geco Mines	5	42,700	770,150	0.7	0.7	1.4
Giant Yellowknife	2	205,000	2,230,400	0.1	5.0	5.6
Goodyear T. & R.	4	16,895	2,280,825	5.2	1.4	6.6
Great Lakes Paper	12	83,200	3,390,400	4.2	2.8	7.0
Great Lakes Power	2	24,500	649,450	0.1	6.0	6.1
Great Plains Devel.	3	41,400	411,930	0.2	3.9	4.1
Great West Life	4	7,418	2,522,120	0.3	7.3	7.6
Gunnar Mines	9	179,800	1,303,550	0.5	4.7	5.2
Gatineau Power	4	52,725	1,924,463	3.2	..	3.2
Greater Wpg. Gas	1	10,000	105,000	..	0.7	0.7
Hinde & Dauch Paper	2	27,625	1,408,875	3.5	4.2	7.7
Hollinger Consol.	10	117,300	2,531,275	0.8	1.6	2.4
Home Oil 'A'	8	132,248	1,183,620	1.0	5.5	6.5
Do. 'B'	4	80,272	662,244	0.4	2.9	3.3
Hudson's Bay Co.	9	227,493	5,289,212	1.5	2.5	4.0
Hudson Bay M. & S.	15	183,175	8,632,122	3.5	3.1	6.6
Hudson's Bay O. & G.	9	159,822	1,542,282	0.2	0.7	0.9
Harding Carpets	1	1,500	15,375	0.6	..	0.6
Howard Smith Paper	10	62,800	2,292,200	3.4	..	3.4
Handy Andy Co.	1	7,210	95,532	..	1.9	1.9
Horne & Pitfield	1	5,000	18,250	..	0.7	0.7
Hoyle Mining	1	10,000	48,000	..	0.3	0.3
Imperial Bank	10	93,770	5,813,740	4.9	2.1	7.0
Imperial Oil	20	419,863	14,590,239	0.7	0.6	1.3
Industrial Accept.	22	520,240	21,524,930	10.2	8.6	18.8
Int'l. Nickel	25	473,984	25,950,624	1.0	0.6	1.6
Interprov. Pipe	23	412,850	23,480,844	3.8	4.3	8.1
Imperial Investment	1	7,300	69,350	0.7	..	0.7
Imperial Tobacco	6	10,000	122,463	1.0	..	1.0
Industrial Acc wts.	1	5,000	80,000	..	..	..
Int'l. Utilities	9	47,136	1,637,976	1.9	..	1.9
Industrial Life	2	6,450	774,000	..	..	..
Investors Syndicate	1	1,100	39,600	..	0.2	0.2
Kerr-Addison	8	46,900	621,425	0.7	0.3	1.0
Labrador Mining	3	35,500	665,625	0.1	1.1	1.2
Lake Shore Mines	2	158,200	601,160	1.1	6.8	7.9
Loblaw Cos. 'A'	8	61,344	1,717,632	14.5	4.7	19.2
Do. 'B'	11	182,500	5,338,125	3.4	5.8	9.2
Lower St. Law. Pr.	3	21,550	538,750	0.3	10.5	10.8
John Labatt	2	4,000	118,000	0.3	..	0.3
Alfred Lambert 'A'	1	3,000	38,250	3.0	..	3.0
Laura Secord Candy	1	4,000	58,500	1.4	..	1.4
Loblaw Groc. wts.	1	3,620	27,150	..	..	..
W. M. Lowney	1	7,000	173,250	3.4	..	3.4
Maclaren P. & P.	4	10,132	790,296	0.8	1.3	2.1
MacMillan, Blo. & P.R.	22	1,355,119	20,326,785	2.4	4.1	6.5
Massey-Ferguson	19	436,750	4,203,719	2.9	0.7	3.6
McIntyre Porc.	5	61,500	1,637,438	2.2	0.5	2.7
Mining Corp.	6	108,500	1,247,750	1.8	3.3	5.1
Montreal Trust	2	3,255	146,475	0.1	0.7	0.8
Moore Corp.	18	278,315	13,219,963	3.7	0.6	4.3
Henry Morgan	3	30,975	820,838	1.7	5.6	7.3
Manuf. Life	1	1,200	72,000	..	..	..
Medallion Pete	1	48,000	84,000	0.9	..	0.9
Merrill Island	1	5,000	3,200	0.1	..	0.1
Minn. & Ont. Paper	3	46,100	1,325,375	1.8	..	1.8
Modern Containers	1	788	10,598	1.7	..	1.7
Molson 'A'	5	69,752	1,604,296	3.6	..	3.6
Do. 'B'	3	2,182	48,645	0.1	..	0.1
Mtl. City & Dist. Bank	2	600	34,000	0.3	..	0.3
Montreal Loco.	1	5,000	71,250	0.7	..	0.7
Mussens Canada	1	5,000	35,000	3.1	..	3.1
Nfld. Light & Pwr.	3	7,200	338,400	3.5	0.6	4.1
Noranda Mines	17	221,620	8,698,585	3.2	1.8	5.0
No. Ont. Natural Gas	5	96,400	1,192,950	3.0	4.6	7.6
Nova Scotia Lt. & Pr.	3	51,925	707,478	0.3	2.9	3.2
Nat'l. Steel Car.	1	2,000	25,750	0.3	..	0.3
Niagara W. Weaving	1	3,000	30,750	2.6	..	2.6
Do. 'B'	1	9,000	94,500	2.6	..	2.6
No. Que. Power	1	2,000	50,750	0.9	..	0.9
North Star Oil 'A'	1	6,375	119,531	1.6	..	1.6
Northland Utilities	1	7,950	131,175	2.9	..	2.9
Ogilvie Flour Mills	2	20,000	900,000	1.7	0.9	2.6
Oceanic Iron Ore	1	25,000	5,000	..	1.0	1.0
Opemiska Copper	1	150,000	1,050,000	..	2.7	2.7
Pacific Pete	3	297,900	3,612,038	0.1	3.6	3.7
Page-Hersey Tubes	13	206,800	5,118,300	3.8	2.5	6.3
Power Corp.	3	6,200	31,620	0.5	0.5	1.0
Price Bros.	16	163,850	6,492,556	4.8	2.7	7.5
Provo Gas Prod.	2	70,000	144,900	0.3	0.7	1.0
Penmans Ltd.	1	1,950	56,550	1.0	..	1.0
Provincial Bank	2	1,800	63,450	0.3	..	0.3
Pembina Pipe	2	138,175	1,105,400	..	8.6	8.6
Preston East Dome	1	12,000	56,400	..	0.2	0.2
Que. Natural Gas	7	211,217	1,294,029	5.8	8.1	13.9
Quebec Power	4	9,955	370,824	0.8	0.6	1.4
Quebec Telephone	3	29,820	991,515	0.6	3.9	4.5
Quemont Mining	2	54,700	456,745	0.1	2.5	2.6
Royal Bank	22	207,211	14,686,080	2.3	1.2	3.5
Rio Algom	3	28,120	191,216	0.1	0.3	0.4
Royal Bank rts.	6	17,007	44,388	..	..	..
Rolland Paper	1	26,500	100,700	2.2	..	2.2
A. V. Roe	2	70,500	414,181	..	0.9	0.9
Royalite Oil	3	217,700	1,382,395	..	7.4	7.4
St. Lawrence Cement	2	19,700	256,100	1.1	2.4	3.5
St. Lawrence Corp.	19	478,500	8,134,500	3.4	7.3	10.7
Salada-Shirriff-H.	3	17,700	170,363	0.2	0.6	0.8
Security Freehold	2	97,400	360,380	0.8	4.4	5.2
Shawinigan W. & P.	21	691,361	18,926,007	4.8	4.0	8.8
Shop & Save	2	54,210	399,725	0.8	5.8	6.6
Simpsons Ltd.	15	260,858	7,271,417	2.6	5.8	8.4
Southam Co.	2	25,850	559,006	0.3	3.2	3.5
Steel Co. of Can.	24	313,160	21,686,330	4.1	3.1	7.2
Steep Rock Iron	6	136,800	1,073,880	0.3	1.4	1.7
Supertest Pete	3	56,600	792,400	1.6	6.6	8.2
St. Lawrence Credit	1	2,000	16,000	5.0	..	5.0
Sangamo	1	7,442	704,450	4.1	..	4.1
Sherwin-Wms.	2	7,550	282,181	3.4	..	3.4
N. Slater	1	1,250	40,000	0.8	..	0.8
Sobeys Stores	1	1,000	11,250	0.4	..	0.4
Standard Paving	2	13,170	207,428	1.3	..	1.3
Stedman Bros.	2	5,725	186,063	1.4	..	1.4
Superior Propane	1	300	4,650	0.1	..	0.1
Sherritt Gordon	1	566,650	1,694,284	..	5.0	5.0
Steinberg's	3	13,950	279,000	..	1.1	1.1
Texaco Canada	17	174,080	870,400	3.5	1.8	5.3
Traders Finance 'A'	9	82,635	3,171,118	2.7	5.4	8.1
Trans-Canada Pipe	10	174,750	3,298,406	2.6	0.3	2.9
Trans Mtn. O.P.	10	397,600	3,727,500	0.3	5.0	5.3
Triad Oil	4	362,300	869,520	0.2	2.5	2.7
Toronto Dom. Bank	13	133,585	7,413,968	3.7	1.9	5.6
Toronto General Trusts	2	7,885	336,098	1.7	3.5	5.2
Traders Finance 'B'	1	1,000	37,500	0.4	..	0.4
La Tuque Tel.	1	650	8,450	..	..	..
Temagami M.	1	285,000	427,500	..	9.5	9.5
Union Gas Co.	16	466,895	6,945,063	5.5	5.1	10.6
United Corp. 'B'	1	4,975	10,448	0.1	..	0.1
United Keno Hill	1	5,000	34,750	0.2	..	0.2
United Oils	2	35,900	42,578	0.4	..	0.4
Ventures	5	165,200	4,315,850	..	6.9	6.9
Ventures wts.	1	2,000	*	..	..	..
H. Walker G. & W.	12	320,205	11,487,354	3.3	0.7	3.7
Westcoast Trans.	3	171,000	2,736,000	0.4	2.5	2.9
Western Plywood	3	39,400	453,100	8.6	0.7	9.3
Westminster Paper	4	37,500	1,387,500	0.2	5.3	5.5
Geo. Weston 'A'	9	58,160	2,108,900	4.2	0.7	4.9
Do. 'B'	5	56,930	2,085,061	3.4	0.7	4.1
Woodwards 'A'	9	138,345	2,265,399	2.5	4.9	7.4
Westburne Oil	1	200,000	114,000	4.1	..	4.1
West Cdn. Collieries	1	3,000	3,000	0.4	..	0.4
West Cdn. Oil & Gas	1	48,500	50,925	0.7	..	0.7
Western Copper	1	4,950	10,890	0.7	..	0.7
Western Groc. 'A'	1	2,000	70,500	3.0	..	3.0
Geo. Weston wts.	1	150	2,400	..	..	..
Woodwards wts.	1	11,870	71,220	..	..	..
Wright Hargreaves	1	14,000	15,400	0.3	..	0.3
Western Decalta	2	510,075	479,471	..	7.0	7.0
White Pass & Yukon	1	15,000	101,250	..	2.2	2.2
Zeller's Ltd.	7	96,525	3,402,506	6.2	6.7	12.9

*No market.

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Noranda Group's Profits Gain In Both Gold and Copper

- *Subsidiaries push development . . .*
- *Pacific Pete's markets grow . . .*

By NESTOR

NORANDA MINES, leader in Canadian copper-gold output, is riding an up-curve of production and profits and extending ambitious development projects through associated companies.

Three gold producers and two copper mines in the Noranda group had first-half profit gains ranging from 6% to 48%.

Development of the associated **Craigmont Mines** (copper) and **Mattagami Lake Mines** (zinc) is going ahead, with final production decisions expected shortly.

Noranda and affiliated **Mining Corp. of Canada**, have just bought 250,000 shares of **Geco Mines**, tightening control to 54% of this major Canadian base metal operation in the Manitouwadge camp. The move, which increased holdings in Geco by 5%, gives Noranda beneficial control.

Noranda's profit ascent, started in the first quarter, continues. The company reports a net of $6,151,000 ($1.37 a share) for the first half period. This is a gain of 5.9% over $5,807,000 ($1.29) in the first six months last year.

The boost is even better when compared on the new "previous average" basis adopted by the company for subsequent reports. Gain on this basis is 7.6%, from an average 1959 half of $5,716,000, or $1.28 per share.

Noranda's star gold producer, **Kerr-Addison**, may better its first-half profit gain of 6% in second half. Although the premium on the Canadian dollar in the third quarter has been above second-quarter levels, average is still below third quarter a year ago. This will help the 1960 profit performance in relation to 1959.

Two other gold producers in the Noranda orbit, **Pamour Porcupine** and **Aunor**, enjoyed profit surges of 48% and 35%, respectively, in the first six months. A leveling in the second half would still leave these two subsidiaries with buoyant earnings records.

Two copper properties, **Waite Amulet** and **Gaspé**, also report higher profits. Gaspé's latest profits before taxes are $5.5 million compared with $4.3 million in first-half 1959. Waite Amulet boosted profits 31% over the same period.

As previously reported, Noranda shareholders this year will benefit through expected restoration of the 20% maximum depletion allowance on dividends. The company's rate was cut to 15% last year.

At recent market price of $40, common stock is at its UV level ($40), could rise 90% before reaching OV level ($76). Price is 15.6 times 1959 earnings of $2.55 per share. Yield is 5% at indicated annual dividend rate of $2 per share. Price this year has ranged between a high of $48¾, a low of $36.

* * *

PACIFIC PETROLEUMS' leading interest in northern British Columbia's young but fast-growing petroleum industry is gaining in importance.

Construction started recently on the first phase of a $93 million gas-gathering project being undertaken by **Gas Trunk Line of B. C.** Pacific Pete will share in costs of main trunk, feeder lines, compressor stations and scrubbing plant in order to cash in on sales of gas from the new Fort Nelson fields.

Gas Trunk Line will hook into the system of Westcoast Transmission in the Fort St. John area. (Pacific Pete holds a 27% interest in Westcoast.) Completion of the feeder system and tie-in late next year will leave Pacific in a more dominant position among B. C. producers and carriers.

British Columbia natural gas development program is now rivaling Alberta's. It has some $225 million in projects planned for 1961.

In acquiring all Canadian holdings of U. S.-owned **Phillips Petroleum** and **Sunray Oil Co.** (FP, Sept. 3), Pacific will increase proven and potential oil and gas lands by two million acres. The deal also adds to holdings in refineries, retail service stations and bulk outlets in the Peace River area and along the Alaska highway.

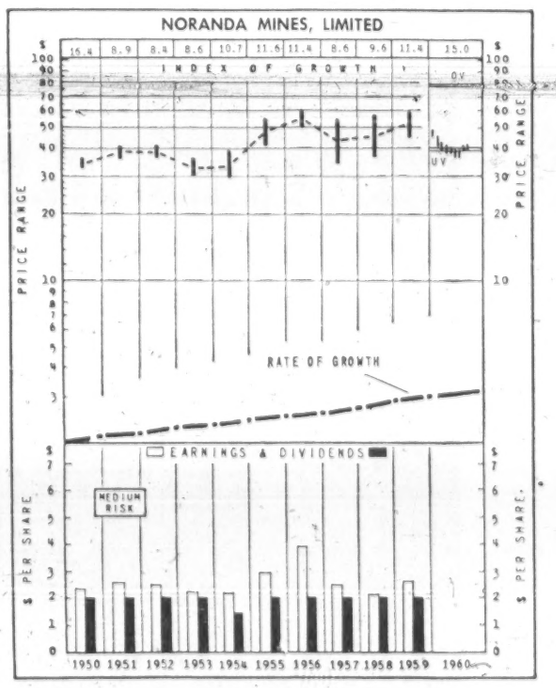
To gain the U. S. companies' holdings, Pacific offered 45% (6,661,142 shares) of the 14,775,873 shares that will be outstanding. Acceptance places ownership control of Pacific Petroleums firmly in the U. S.

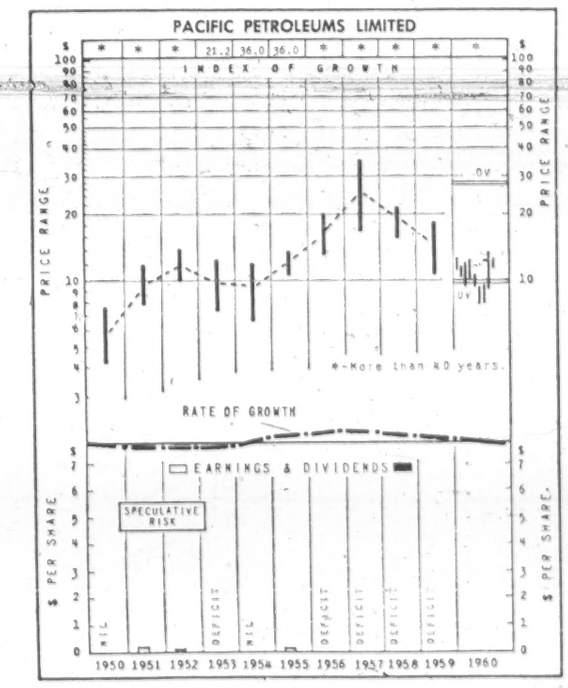
Chairman Frank McMahon says that "addition of Phillips' and Sunray's properties to the operations of Pacific will materially increase Pacific's income with very little increase in costs".

Meanwhile, the company expects that new prices on B. C. gas this year (up 50% to 9½c thousand cu. ft.) will reflect strongly in 1960 earnings.

Pacific's net cash income in year ended Feb. 29 was $3.9 million, up 41.6% from $2.8 million the year previous. Crude production has increased from a high of 10,800 bbl. per day in February, 1959, to 12,822 b/d in the same month this year, for a gain of 19%. Gas sales rose from a peak of 85 million cu. ft. daily to 104 million cu. ft. in the same period.

At recent market price of $10⅝, common stock is 6% above UV level ($10), could rise 155% before reaching OV level ($27). Company's operations resulted in a loss in 1959. No dividend is being paid. Price this year has ranged between a high of $13⅞, a low of $7.80.





How to Read Nestor's Special Stock Charts

INDEX OF GROWTH: The rate at which the value of the equity behind the stock is doubling as determined by the growth rate at which it entered the year. A figure at 5.6 for the present year would indicate that at its current growth rate the equity value is doubling every 5.6 years.

PRICE RANGE: The annual high, low and mean price. Monthly ranges for the current year.

UNDERVALUATION AND OVERVALUATION PRICE LEVELS: Shown by the narrow horizontal lines above and below the stock's price range indicating price at which the particular stock is adjudged as underestimating or overestimating its future rate of growth. A stock showing a fast growth rate will sometimes anticipate growth by two or three years. In this case it may not be so attractive a purchase relatively as some other fast-growing stock that is not anticipating its growth beyond the immediate present. Other factors such as rate of growth and investment quality will also enter into the comparison an investor will want to make.

Without these UV or OV levels a current quotation of, say 55 or 75 would carry no significance regarding long-range value. The UV/OV levels also permit judgment as between one stock and another. They are not designated points of purchase or sale nor do they attempt to show what will be a stock's bottom or top figures in any given year.

RATE OF GROWTH: The rate as based on Nestor's tests at which the company is showing underlying or long-term growth. This will determine the price trend of the company's common stock over a period of years and in most instances the trend of dividend payments.

**Background and principles behind the selection by Nestor were discussed in special article in FP Jan. 10, 1953. A limited number of reprints are available on request.*

Here Are New Promotions in Cdn. Bank of Commerce

W. R. BROHM, to be an assistant accountant, Rideau St., Ottawa.

R. D. BURLEY, manager, Thorold, Ont., to be manager, Dundas, Ont.

I. R. CARNE, to be an assistant accountant, Yonge and College, Toronto.

R. A. DEADMAN, to be accountant, Uxbridge, Ont.

M. N. J. FOYLE, accountant, Yonge and Eglinton, Toronto, to be an audit officer, Head office, Toronto.

J. G. F. HAMEL, manager, Malartic, Que., to be manager, Amos, Que.

R. R. HENDERSON, manager, Tilbury, Ont., to be manager, Thorold, Ont.

W. H. I. HONEYFORD, accountant, Mount Pleasant and Manor Rd., Toronto, to be accountant, Bloor and Lippincott, Toronto.

M. C. HORNSBY, supervisor, call loan securities, Toronto, to be an assistant accountant, Toronto.

K. N. IRWIN, an audit officer, head office, Toronto, to be manager, Lawrence and Warden, Scarborough, Ont.

J. T. JENKINSON, to be an assistant manager, personal loan department, Toronto.

R. W. KNIGHT, accountant, Dresden, Ont., to be accountant, Peterborough, Ont.

R. LaROCHE, accountant, Val d'Or, Que., to be manager, Malartic, Que.

W. L. McANDLESS, accountant, Bloor and Lippincott, Toronto, to be an audit officer, head office, Toronto.

B. L. MORETON, an assistant accountant, London, Ont., to be accountant, Guelph, Ont.

C. MORRICE, an assistant accountant, Seattle, Wash., to be an organization officer, methods and organization department, head office, Toronto.

G. S. NIESEN, to be an assistant accountant, Bloor and Yonge, Toronto.

R. F. O'HAGAN (Miss), accountant, Bathurst and Lawrence, Toronto, to be accountant, Oxford and Richmond, London, Ont.

O. A. READ, to be supervisor, call loan securities, Toronto.

H. E. ST. PIERRE, accountant, Oxford and Richmond, London, Ont., to be accountant, Bathurst and Lawrence, Toronto.

P. SAWCHUK, to be manager of the newly opened branch at Watson Lake, Y.T.

E. M. SHIER, accountant, Beamsville, Ont., to be manager, Tilbury, Ont.

W. SOROBEY, manager, Glengon, Alta., to be manager, 109th Street and 86th Avenue, Edmonton.

J. L. STEPHEN, manager, Lawrence and Warden, Scarborough, Ont., to be manager, Gerrard and Pape, Toronto.

K. C. TAYLOR, to be an assistant accountant, Ottawa.

D. F. R. TORRIE, to be an assistant accountant, Edmonton.

R. H. WHEELER, to be assistant accountant, Bloor and Runnymede, Toronto.

H. T. YOUNG, an assistant accountant, Yonge and College, Toronto, to be accountant, Yonge and Eglinton, Toronto.

W. H. H. ACRES, manager, Dundas & Dorinda, London, Ont., to be manager, 8 Adelaide St. E., Toronto.

J. L. P. BRETON, to be accountant, Maisonneuve, Montreal.

K. R. COLLINGS, accountant, Port Perry, Ont., to be accountant, Brockville, Ont.

R. G. DUNCAN, assistant accountant, Kindersley, Sask., to be accountant, North Battleford, Sask.

O. M. J. FAGAN, manager, 8 Adelaide St. E., Toronto, to be a business development officer, head office, Toronto.

F. M. GRAHAM, accountant, Welland, Ont., to be manager, Dundas & Dorinda, London, Ont.

R. M. HARRINGTON, to be an assistant accountant, Hamilton, Ont.

W. S. HARVEY, manager, Decarie Blvd. & Ferrier St., Montreal, to be a special representative, regional office, Montreal.

R. HOFFMAN, to be accountant, Kindersley, Sask.

F. R. HOLDERNESS, accountant, 45th Ave., Lachine, Que., to be accountant, Sherbrooke, Que.

H. C. MacKAY, to be accountant, Fort Macleod, Alta.

W. F. MASON, a special representative, regional office, Montreal, to be manager, 2055 Peel St., Montreal.

B. A. MILLER, to be accountant, Melfort, Sask.

J. R. G. MILLER, an assistant accountant, Edmonton, to be accountant, 14th St. S.W. & 16th Ave., Calgary.

A. P. NOWERS, manager, 2055 Peel St., Montreal, to be manager, Decarie Blvd. & Ferrier St., Montreal.

J. E. POLIQUIN, to be accountant, 45th Ave., Lachine, Que.

H. POZDNIKOFF, accountant, Fort Macleod, Alta., to be accountant, 124th St. & 118th Ave., Edmonton.

H. W. RIGDEN, assistant inspector, regional inspection department, Halifax, to be manager, Corner Brook, Nfld.

R. L. Ross, accountant, Melfort, Sask., to be manager, Vonda, Sask.

G. W. SHAW, formerly manager, Whitehorse, to be manager, South Burnaby, B.C.

E. A. SKILLETER, an assistant accountant, Queen & University, Toronto, to be accountant, Danforth & Coxwell, Toronto.

D. E. SOUTAR, manager, Vonda, Sask., to be manager, Gilbert Plains, Man.

R. K. THORNTON, to be assistant manager, Rideau St., Ottawa.

G. J. TURNER, assistant accountant, St. Thomas, Ont., to be accountant, Dresden, Ont.

W. C. WHITELL, accountant, North Battleford, Sask., to be accountant, Moose Jaw.

G. C. WILSON, to be assistant accountant, Bloor & Church, Toronto.

L. St. C. WILSON, an assistant inspector, head office, Toronto, to be assistant inspector, regional office, Halifax, N.S.

Montreal Bank's New Promotions In Staff Changes

N. R. E. WILKINSON, accountant, North Hill, Calgary, to be manager, Frobisher Bay, N.W.T.

H. J. GOSNELL, accountant, Peterborough, Ont., to be an assistant manager, Hamilton, Ont.

G. W. WEEKS, Edmonton, to be manager, Gold Bar, Edmonton.

R. PARKINSON, Winnipeg, to be manager, Sioux Lookout, Ont., succeeding J. M. CARDINAL, retiring.

J. F. GORMICAN, assistant general manager's department, Winnipeg, to be accountant-in-charge, Lac du Bonnet, Man.

A. J. McROBERTS, accountant, Guelph, Ont., to be manager of a new branch to be opened shortly at Speedvale Ave. and Edinburgh Rd., Guelph.

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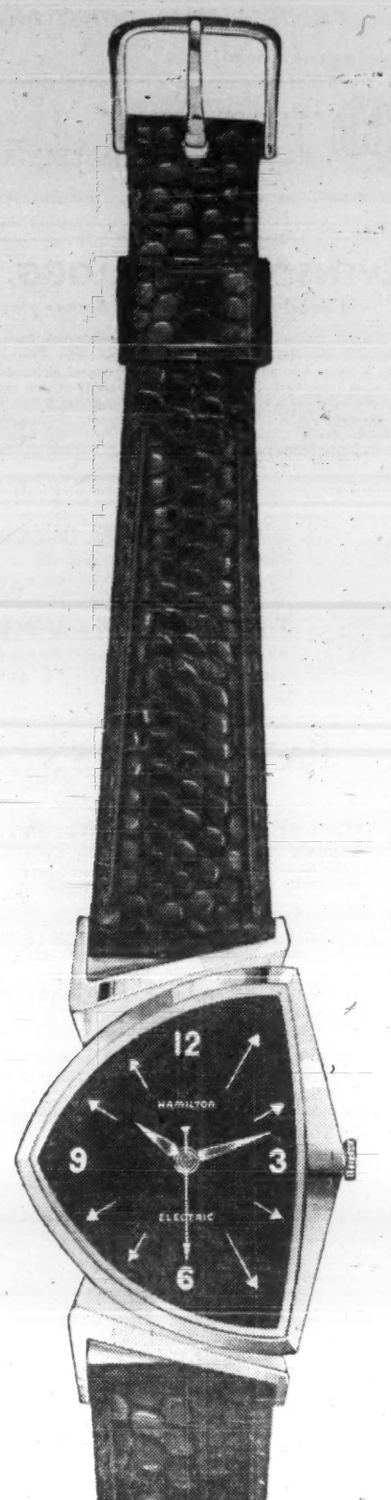

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Right Now... Religion Key To U.S. Vote

Despite protestations of both candidates and their supporters, religion is the biggest single issue in the U. S. presidential election campaign.

There are charges that both candidates, at least tacitly, are taking advantage of religious prejudices. By election day Nov. 8, however, voters may be weary of the debate.

From Our Own Correspondent

WASHINGTON—The biggest single issue in the U. S. election campaign right now is over what church the next president will attend.

In apparent public concern, it surpasses all other issues involving war and peace, trade, defence and even local problems.

The fact that Kennedy is a Catholic has kicked up a bigger ruckus than the one over Al Smith's 1928 try for the presidency.

Not only are violently anti-Catholic sermons being preached in the Bible belts of the South and Midwest, but all over the country the ballot bigots are effectively at work.

To Canadians, who have elected Catholics, Baptists, Anglicans and Presbyterians without apparent concern, it may seem strange, but the U. S. is being deeply rent by this religious issue.

Some of the anti-Catholic campaign is taking the low road, especially in the deep South.

On a higher plane, the commercially successful and prominent Rev. Norman Vincent Peale and the Rev. Billy Graham are sounding warnings about a Catholic in the White House.

Peale was chairman of a Washington conference of Protestant church officials from all over the U. S. which declared that if Kennedy were elected he would be under "extreme pressure from the hierachy of his church" to have U. S. foreign policy follow Vatican foreign policy.

Peale, an ardent Nixon supporter, was not concerned, however, about Nixon's Quaker background, saying, "I don't know that he ever let it bother him."

Republican National Committee officials have told **FP** privately that they are "dumbfounded" at the depth of the anti-Catholic feeling.

"We're going to get far more anti-Catholic votes for Nixon than we ever thought even remotely possible. We've even had to change some of our calculations because of this."

The Nixon organization is having nothing to do with either kind of anti-Catholic, although ex-president Harry Truman has accused Nixon of using the issue.

"While he stands at the front door proclaiming charity and tolerance, his supporters are herding the forces of racial, religious and anti-union bigotry in by way of the back door and no one will ever make me believe he is not smart enough to know what is going on," Truman said.

Truman has been supported by a number of others, including Virginia Governor J. Lindsay Almond, a Democrat, who said: "There is no doubt in my mind that the Republican leadership, by innuendo, is speaking to capitalize on the religious issue.

"Furthermore, I think Mr. Nixon has done that by repeatedly referring to it, ostensibly to depreciate it."

Some of the most vigorous anti-Catholic campaigning is being done in the South, especially by Baptist ministers.

Dr. Ramsey Pollard, president of the Southern Baptist Convention says he will preach against Kennedy in and out of the pulpit and has urged his ministers to do the same.

Rev. Dr. W. A. Criswell, a Dallas Baptist, has made a number of strong sermons which have been reprinted in hundreds of thousands of pamphlets and distributed throughout the country.

"Roman Catholicism is not only a religion, it is a political tyranny," he said, ". . . a political system that, like an octopus, covers the entire world and threatens those basic freedoms . . . for which our forefathers died . . ."

Organizations have sprung up in big and small towns all over the U. S. to spearhead the anti-Catholic campaign. They encourage ministers to make sermons like Criswell's, pour literature into the mails and organize meetings.

Despite this outpouring of anti-Catholic feeling in the country, Kennedy may yet turn it all to his own advantage.

He did so in the West Virginia primary which he won, despite the almost 100% Protestant population of the state and despite religion being a major issue.

Kennedy's strategy is to meet the issue head on, to bring it up himself whenever he makes a major speech.

The senator also will benefit because the anti-Catholic campaign may win him votes from Catholics and others who will vote for him just because he is a Catholic.

In fact, some Kennedy camp officials have been accused of trying to make it appear that a vote against Kennedy is a vote for bigotry.

Another factor in his favor is the early appearance of religion as a major issue in the campaign.

By election day Nov. 8, the voters may be weary of the subject and Kennedy has nearly two months to counter-punch.

This counter-punching is being done for him by a special committee he has set up run by James W. Wine, a crew-cut, pipe-smoking former associate general secretary of the National Council of Churches.

Wine has established branch committees in more than 40 states to publicize Kennedy's strong position in favor of separation of church and state.

The vote potentiality in the Catholic population, however, has by no means escaped Kennedy's attention.

It is significant, for instance, that in New York State, perhaps the key to the whole election, 32% of the adult population is Catholic.

In Pennsylvania, it is 29%; Illinois 30%; 39% in New Jersey; 50% in Massachusetts; 49% in Connecticut; 60% in Rhode Island; 22% in California; 24% in Minnesota; 20% in Ohio; 32% in Wisconsin; 21% in Maryland; and 22% in Montana.

These are significant percentages.

The Nixon people are claiming that as many of these Catholics will vote for Kennedy because of his religion as there will be votes against Kennedy for the same reason.

This is denied by the Kennedy forces. Nevertheless, the percentages are large and are in key states with big electoral numbers and could be highly important.

Company Reports

Public Utilities

POWER CORP. OF CANADA, net profit for the year ended June 30, 1960, was $2,209,696, 0.4% higher than the $2,200,589 earned in previous fiscal year.

Profit does not include a $44,457 profit on changes in certain investment holdings. This was credited to investment reserve.

Market value of portfolio was $74.2 million at June 30, 1960 ($86.7 million a year earlier). Break-up value was $71 per common share at June 30, 1960, against $89 a year earlier.

Company's biggest single investment, based on market value at June 30, 1960, was in **Canadian Oil Companies, Shawinigan Water & Power Co., Bathurst Power & Paper,** and **British Columbia Power Corp.** were the next largest holdings.

Annual meeting is on Sept. 23.

Here is Power Corp.'s investment portfolio at the end of the past two fiscal years:

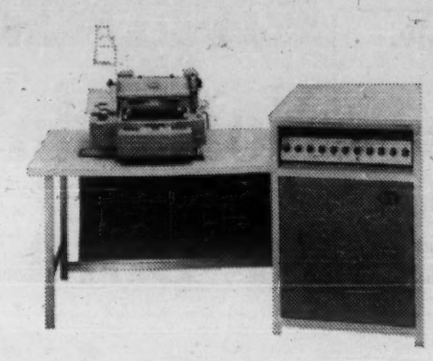
Market value at June 30:	1960	1959
Avalon Telephone	$376,545	$387,115
Bathurst P. & P.	7,509,305	6,663,909
B. C. Electric	432,500	.....
British Nfld. Corp.	554,925	554,925
B. C. Power	7,157,600	8,310,000
Cdn. Celanese	850,000	966,875
Cdn. Oil Cos	14,279,855	20,494,373
Cdn. Pow. & Pap.	397,650	532,851
Capital Management	929,770	.....
Dominion Dairies	1,026,040	955,138
East. Koot. Power	1,817,716	1,976,530
G. M. Gest	1,249,657	1,200,157
Gtr. Winnipeg Gas	3,211,461	2,567,845
Imperial Investment	2,221,772	2,142,983
International Nickel	.....	462,500
International Util.	1,340,000	1,260,000
North B. C. Power*	2,651,207	.....
Nor. Que. Power	4,109,687	4,331,808
Que. Natural Gas	815,700	1,063,253
Royal Bank of Can.	3,784,683	4,432,320
Shawinigan W. & P.	10,476,358	13,479,537
Tr.-Can. Pipe Lines	4,901,366	6,574,340
355 St. James St. W. Inc.	428,750	428,750
United Towns Elec.	1,012,182	1,013,875
Mining	223,761	.....
Miscellaneous	2,641,066	3,609,741
Advance to subs	*	2,963,600
Govt. of Can. bonds	.....	452,500
Total	74,204,556	86,730,424

*Includes $2,650,000 advances in fiscal '60.

INCOME ACCOUNT Years Ended June 30:	1960	1959
Net earnings	$2,755,055	$2,706,162
Less: Interest	460,252	432,500
Income tax	85,107	73,073
Net profit	2,209,696	2,200,589
Less: 4½% 1st pref. divd	270,000	270,000
6% noncum. pf.	358,371	358,371
Common divd.	1,239,710	1,239,710
Surplus for year	341,615	332,508
Times Interest Earned	5.99	6.26
Earnings per Share and Dividend Record:		
4½% 1st Pref.	$18.41	$18.34
Paid	2.25	2.25
6% noncum. pf.	16.94	16.16
Paid	3.00	3.00
Common	2.55	2.53
Paid	2.00	2.00
Shares o/s as at June 30:		
1st pref., $50 par	120,000	120,000
6% pref., $50 par	119,457	119,457
Common, n.p.v.	619,855	619,855

CONDENSED BALANCE SHEET As at June 30:	1960	1959
Cash	$16,070	$28,444
Accts., etc.	254,868	275,732
Total curr. assets	270,938	304,176
Invests.† Misc.	39,468,003	39,237,900
Subsid. cos	9,539,997	8,436,402
Loans	2,650,000	2,965,000
Furn. & fixtures	1	1
Deferred exp.	23,636	38,103
Total assets	$1,972,575	$0,981,582
Due bank	794,830	.....
Accts. pay. & accr.	603,064	686,037
Taxes	35,224	44,197
Divds pay.	146,443	146,443
Total curr. liab.	1,579,581	856,677
Funded debt	9,375,000	9,500,000
Capital stock	24,651,190	24,651,190
Special reserve	9,735,655	9,684,181
Surplus	6,631,149	6,289,534
†Total mkt. val.	74,204,556	86,730,424
Working capital	‡1,308,643	‡552,501

‡Excess of curr. liabs. over curr. assets.



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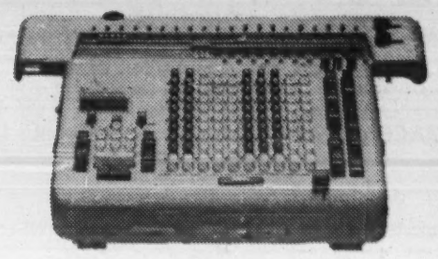

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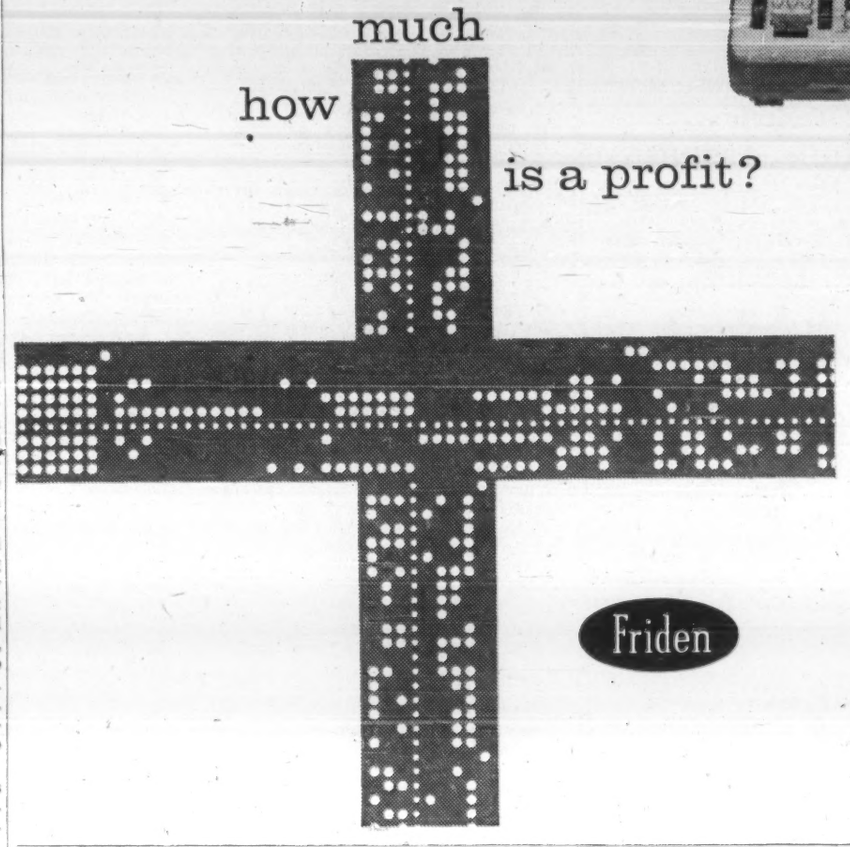
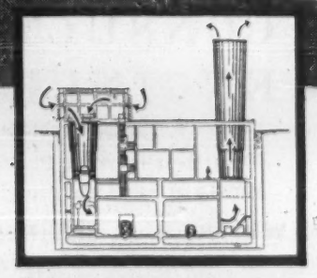


SHELDON FANS



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Water-Scooping Plane Quenches Forest Fires

Martin Mars aircraft, fitted with water scoops, tanks and dumping doors, can scoop up 30 tons of water in 25 seconds while skimming over lake or sea and dump the whole load on a blazing fire within 3.5 sec.

Only one of the planes is in operation in B.C., but others may be converted by forest companies.

From Our Own Correspondent

VANCOUVER — The huge Martin Mars appears to have won its spurs in battling forest fires on the West coast.

Experienced observers say the big four-engined flying boat — it originally was a U. S. World War II aircraft — is the most effective aircraft for combating fires (**FP**, Apr. 9).

But the key decision about the Mars will be made sometime next month when the directors of **Forest Industry Flying Tankers Ltd.** assess the picture.

Only one of four Mars the company bought in the U. S. has been equipped to fight forest fires. Next month will come the decision whether to convert the other three.

The converted aircraft can scoop up 30 tons to 35 tons of water while skimming over the surface of a lake or the ocean in a mere 25 sec. — and dump its entire load in 3½ sec.

Many bugs have been ironed out after some 100 water drops, and the aircraft achieved "fair" to "good" results in action against actual fires this past summer.

Here's the technical evaluation to date of Air Vice-Marshal L. F. Stevenson (Ret.), managing director of Forest Industry Flying Tankers, a joint operation of a number of major British Columbia forest companies:

"From time to time during the summer the Mars made drop tests in selected areas.

"The results of these tests have convinced experienced observers that the Mars is the most effective aircraft for combatting fires.

"Its size limits its use on fires in steep and mountainous areas but whatever it lacks in manoeuverability, it makes up in volume of water supplied.

"This has the effect of dampening down the whole area, increasing the relative humidity and retarding spread," said AVM Stevenson.

The special Mars equipment — water scoops, tankage and dump doors — are of new design, and these in themselves gave teething troubles.

The Mars can carry 6,800 gal. of water with 4 hr. fuel in comparatively level country, and this is an economical and practical load.

In terrain requiring an extensive climb — and this is common in mountainous British Columbia — a water load of 6,000 gal. proved more practical and economical.

The four-compartment tank provides flexibility in both water load and dropping as from one to four tanks can be carried and dropped individually or simultaneously.

One water tank — 1,500 gal. — is the weight equivalent of three hours fuel.

When flying a considerable distance from base, the Mars also can carry its own fuel and a hose for refueling. This was done once this summer, at Kelowna in the interior.

Stevenson estimates the Mars can carry 10,500 gallons of fuel — or enough for 20 hours flying.

By carrying light rubber or plastic tanks into which gasoline can be pumped and left floating until required, the big aircraft should thus be able to operate from an isolated lake for a matter of 15 hours.

It has also been estimated that a mooring and permanent refueling point within reach of tank trucks could be established for about $3,000.

These matters, as well as the equipping of a small truck with an anchor, cable, hose and gear to constitute a mobile refueling and servicing unit, are still under study.

The big Mars normally should operate from a secure mooring and fixed refueling facilities to eliminate loss of time.

But the Flying Tankers people believe that with advance planning and provision it should be able to operate anywhere.

How about cost of operation?

The company believes that in the last analysis the cost of water-bombing should be based on the cost of applying water on a gallonage basis — and even this is not a thoroughly fair comparison as in most cases the greater water load the more positive the effect.

Some have argued, for example, that the concentrated water drop of the Avenger aircraft is more effective than the dispersal drop of the Mars, which covers an area of approximately 200 feet by 600 feet.

This, say Flying Tankers experts, is like comparing the rifle with the shot gun.

The advantage of the Mars drop is that it brackets the fire, minimizes the chance of miss, and creates an envelope of high relative humidity, stopping or retarding spread until subsequent loads of water can be applied — or until ground crews can move in.

Then the Mars has the big advantage of turn-around with its ability to pick up water near a fire, while landplanes must return to an airport to refill.

In still air the Mars can pick up its full water load, take off in a matter of 2 min. and proceed to a fire at 130 knots to 140 knots.

The Flying Tankers company has even worked out a cost table for various aircraft, on a per-gallon basis:

- **The B17 converted** wartime bomber, making one drop per hour, can deliver it at 39c gal. When making four drops an hour this is reduced to 9.75c gal.
- **The B25,** another converted wartime bomber, making one drop per hour, can deliver it at 48c per gallon; or, with four drops per hour, at a cost of 12c per gal.
- **The Avenger,** making one drop an hour, delivers at 33.3c per gallon; or at 8.3c per gal. when making four drops per hour.
- **The Beaver,** the Canadian bush aircraft, making one drop an hour, delivers the water at $1.08 per gallon; or at 27c per gallon when making four drops per hour.
- **The Mars,** with three tanks loaded, making one drop an hour, does it at 35.5 cents a gallon, but this drops to 8.9c per gallon on the basis of four drops an hour.

With four tanks of water, or 6,000 gal., the Mars delivers at 26.6c per gal. on the basis of one drop an hour, or 6.6c per gal. when making four drops an hour.

- **It achieves its maximum economy** when packing 6,800 gal. of water. Then, making one drop an hour, it does it at 23.5c a gallon. This drops to 5.9c per gal. on the basis of four drops an hour.

These are some of the complicated assessments Forest Industry Flying Tankers are studying.

These were the results of three actual tests this summer:

- **The Theodosia River fire** was burning on a steep side hill covered by heavy smoke and difficult for the big aircraft to attack. However, in four drops it unloaded a total of 20,400 gallons with "fair" results.
- **The Nanaimo River** fire was a small, rapidly-spreading fire within 12 miles of a good water pick-up area. The Mars made three drops with a total of 10,500 gallons with "good" results.
- **The Stillwater fire** was a slash blaze which was getting out of hand and the Mars' job was to cool it down. The big flying boat made seven drops with a total of 40,500 gal. in two hours flying, or drops at 17-min. intervals. The fire was on a steep side hill in heavy smoke, and there was some inaccuracy in dropping on the vital points.

However, the fire was cooled down successfully.

Here are some yardsticks on the forest fire problem in British Columbia, which indicates the need for new and unique techniques:

It cost the B. C. government Forest Service $4,697,437 to fight 3,704 forest fires this year up to September 3 — and the dollar figure was a new record. This figure, as well, does not take into account what private companies spent to fight fire.

Mechanically, the war-surplus Mars proved to be in good shape. To date it had trouble with one engine. Apart from this it has proven a reliable aircraft, say Flying Tankers' officials.

Demand Rising For Engineers

A two-year slowdown trend in demand for engineers, scientists and architects may be reversing itself.

- **A government survey of industry** shows a moderate rise in estimated requirements for 1960-62 period.
- **University placement officers** are booking in "considerable numbers" of talent-seeking companies for a preview of 1961 graduates.

But spokesmen for engineering groups are less optimistic.

The mixed outlook may be due to still evident weakness in demand in some key areas — construction, transportation, public utilities, government agencies.

Biennial survey of requirements of Department of Labor's Economics & Research Branch shows most industrial sectors look for more difficulty in finding professional talent in 1960-62 than in 1958-59.

Employers are "relatively more optimistic in 1960 than they were in 1958," a preliminary report of the survey says.

From 2,600 responding organizations, the report shows an average estimated 1960 increase of 7.3% for engineer employment and 5.8% for scientists.

Actual increase for engineers in 1959 was 4.2% and for scientists 4.1%.

Outlook for next two years:

- **Engineer requirements** will rise 5% in 1961, 4.1% the next year.
- **For scientists,** rises are estimated at 4.9% and 3.2% for the two years.
- **Demand for architects** will be up 5.5% and 2.1%.

Biggest demand growth expected in 1960-62 period will be for mathematicians and physicists among the scientists, and for chemical, mechanical and metallurgical engineers. Architect demand will be comparable to the leaders in science and engineering.

Early signs are good for the 1961 crop of engineering and technical graduates from universities.

Both McGill and University of Toronto report a high advance booking by employers for the first-of-the-year interview sessions which the universities sponsor.

"At this early date, about 50% of the companies which came last winter indicate they will be here again this coming January," J. K. Bradford, U. of T. Placement Officer, says.

"The demand increase overall for 1960 graduates was 10%-15% and we had no difficulty placing this year's graduates."

The supply-demand picture in 1960 for metallurgical and chemical engineers was particularly bright, will likely continue next year.

At University of Toronto, there were 41 companies looking over 12 metallurgical graduates last year, 79 companies to interview 40 chemical engineering graduates.

Demand in the aeronautical and electronics fields is still relatively weak, placement officers say.

Spokesmen for professional associations report there likely will not be any steep climb in over-all demand in near future.

"The pace is nothing like 1957 and we can see nothing more than steady but unspectacular expansion ahead," one association official told **FP**.

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THE WORLD OVER KLM ROYAL DUTCH AIRLINES

U.S. Increases Share of Investment Here

OTTAWA (Staff)—The current softening of business expectations in Canada hasn't affected the inflow of capital for direct investment yet.

Net flow for direct investment in foreign-controlled enterprises in the second quarter of 1960 was $160 million, the latest DBS report on the balance of international payments shows.

This is the third consecutive quarter in which this flow has reached a level of $160 million or better. Total inflow for the last three quarters, $526 million, is higher by $60 million than the highest total for any three earlier consecutive quarters.

Direct investment in the first half of 1960 was aimed mainly (75%) at mining, petroleum and natural gas operations.

Investment in manufacturing (emphasis on forest products, chemicals) accounted for 20%, and investments in financial institutions and real estate the remaining 5%.

Of direct-investment capital in the first half of 1960, 85% came from the U. S., 10% from the U. K. (against 78% from the U. S. in 1959 as a whole, and 12% from the U. K.).

On the current account side, we went more into debt in the second quarter of 1960 ($471 million) than in any quarter since the second of 1957 ($545 million).

Most of the rise in current debt in the second quarter was due to a big import balance — $179 million. The import balance was low for January-February-March (only $43 million) but exports dropped off in the three months following and imports, mostly from the U. S., rose.

Edmonton Okays New Parking Plan

From Our Own Correspondent

EDMONTON — A $4.6 million off-street parking project may help decongest downtown Edmonton.

City council has approved plans of **Tankoos Yarmon Ltd.,** Toronto and New York, to provide parking space in two downtown buildings a block apart. They will be joined by a mall. Work is scheduled to start next February.

Edmonton has only 250 downtown parking stalls.

Sask. Power Corp. Revises Divisions

Saskatchewan Power Corp., Regina, has carried out extensive organizational changes within its engineering group headed by W. B. Clipsham, assistant general manager, engineering.

Functions of construction and design, previously under an electrical engineering division, have been separated into two divisions, construction and electrical design. Both report to E. B. Campbell, assistant chief engineer.

Construction division, headed by D. J. Anderson, chief construction engineer, now contains four departments: powerline, electrical, mechanical construction, and surveys and locations.

Electrical design division, headed by W. R. Wiggins, chief electrical design engineer, included electrical distribution design, electrical sub-transmission design, electrical transmission design and switching station design departments.

New generation design division, headed by E. R. Smith, chief generation design engineer, includes mechanical design, electrical design and civil design departments.

System planning department, headed by W. A. Reed, has been raised to status of a division. Communications department now reports directly to Clipsham. New draughting department, under Charles Chevalier, chief draughtsman and engineering records officer, reports to Campbell.

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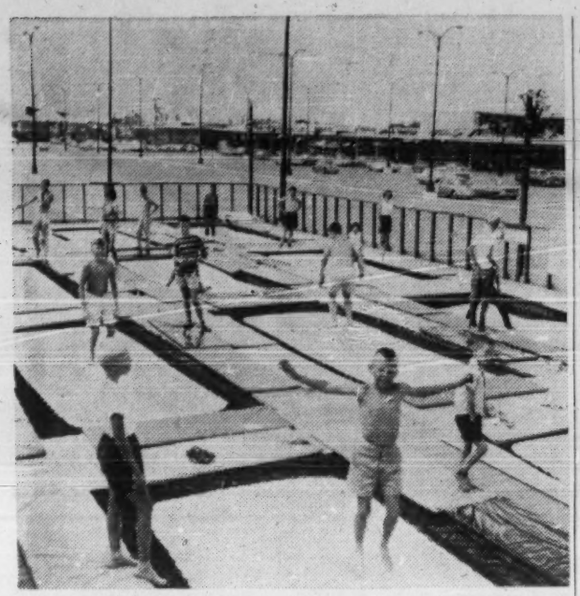

KIDS TRAMP trampolines at shopping plaza near Toronto.

Profits Jingle In Jump Centre

A trampoline centre in a Port Credit, Ont., shopping plaza has proved so profitable for its owners, Vorolene Ltd., that the company is planning to manufacture and distribute trampolines throughout Canada and the U. S.

Company hopes its own trampoline design will be competitive with those made in California.

By DAVID FRANCIS

Business is jumping for **Vorolene Ltd.**, Port Credit, Ont.

The firm operates a trampoline centre in Applewood Village shopping centre in Port Credit.

Customers, aged from 15 months to 75 years, bounce themselves happy on the springy apparatus losing some of their change in the process.

Even women in skirts try them out.

In fact, the trampoline centre proved such a money-maker, that Vorolene decided to manufacture and distribute trampolines.

"This is a fabulous thing," says George O'Neill, president of the firm. "Business has been far beyond our expectations."

O'NEILL

Receipts from the centre have been as much as $2,500 and $3,000 a month since it opened in late July this year.

O'Neill hopes to open centres in five to 10 other Toronto shopping centres by next summer and to sell equipment across Canada and the U. S.

The tramopline fad got its start two years ago in Southern California and since then has been bouncing across the continent.

O'Neill, a New Yorker who had headed **Playtex Ltd.** in Toronto until he decided to become a private marketing consultant, read about the trampoline centres and flew down to California to have a look himself.

Convinced of the prospects for a centre he launched the Applewood Village project as a sideline to his consulting business. It has proved so successful the sideline has become a full-scale business, O'Neill says.

With the aid of three partners, he has developed a new type of trampoline for manufacture.

The partners are A. J. O'Mara, a Port Credit attorney; Ben Rockett, head of **Rockett Lumber Co.** in Cooksville, Ont., and Nick Volpe, ex-Toronto Argonaut player and physical education director of Port Credit High School.

Volpe manages the centre. The trampolines are assembled in the Rockett Lumber Co.'s plant.

O'Neill expects to sell equipment in the next two months for 10 centres with 12 trampolines or more. Also he hopes to sell 50 "family bouncers," trampolines meant for backyard use in private homes.

The family bouncers, costing about $395, were introduced at the Canadian National Exhibition.

"We think we can export trampolines to the U. S. cheaper than they can make them there," O'Neill says.

This may be possible because of lower labor costs, lower shipping costs in the eastern U. S. as compared with California-made trampolines, and savings in materials because of the design.

The Vorolene tramopline has a centre canvas suspended by 144 rubber elastomers from a metal frame. A wooden platform supports the frame three feet off the ground.

The frame is covered by a wooden floor and safety pads so that the bouncing customer has less chance of injury if he slips. A four-foot-high fence prevents him from bouncing to the ground.

In the U. S., O'Neill says, the trampolines are put in pits that must be excavated and are difficult to drain.

Trampolines used for many years by circus tumblers are above ground, but have no platform to prevent jumpers from falling to the floor.

O'Neill decided to use the elevated trampoline since he did not wish to excavate in the shopping centre parking lot and because "bouncing bodies" would be more visible from a nearby highway, attracting customers.

In Toronto there are now three other trampoline centres, one at another shopping centre, a second at a golf course and the third at a large swimming pool recreation area.

Trampoline centres have also sprung up in Winnipeg and Calgary.

A centre with 10 trampolines costs about $8,000. Its over-all dimensions would be about 40 ft. by 80 ft.

O'Neill charges 25c for 15 min. of trampolining and assigns two people to a single trampoline since they can alternate between bouncing and resting. If utilized for half the time in a 10-hr. day, receipts total $120.

Additional income can be gained from soft drink vending machines, sale of instructional booklets, trampoline slippers, private tumbling lessons.

From this must be subtracted insurance costs, which are prorated according to business; wage of a manager; electricity for floodlighting; rental or cost of a site, and maintenance.

O'Neill expects the best customers for trampolines will be shopping centres. Children get keen on jumping and pressure parents to shop where there are trampolines available, he says.

Also, many resorts have enquired about their cost for possible installation next year as added attracions.

Families may be a third large customer, since trampolining provides exercise and helps in reducing, O'Neill says.

One owner of a shut-down movie theatre is considering putting trampolines, billiard and ping pong tables in the space. A motel chain has enquired about costs of installation.

O'Neill's big concern is to turn trampolining from a fad to a lasting sport. Trampolining has as large a variety of tricks as diving has dives, thus making for continued interest, he says.

Tiny children may try only "knee drops" or "seat drops", but teenagers and adults get fancy with "stomach drops" or "2½ forward somersaults" and so on.

Business has been so good so far that there are often line-ups. But when necessary, O'Neill says he will launch competitions for cups, reducing clubs, free passes on purchase of merchandise in the shopping centres and other promotions.

Because children like to jump — and because jumping on bed springs is usually frowned upon — O'Neill expects children to be jumping up and down on trampolines for many years.

In the U. S., new centres are opening every week, although the first boom is beginning to fade. Investment is in the millions of dollars.

Operators have banded together in the National Trampoline Association. Its president, Mel Pierson, former University of Southern California football star, describes trampolining as a "wonderfully exhilarating feeling, about as close to free flight as anyone can come."

ANNOUNCEMENT

DOMINION TEXTILE APPOINTMENTS

F. P. BRADY

C. M. BECK

Appointment of Francis P. Brady as assistant to the vice-president, manufacturing, of Dominion Textile Company Ltd., has been announced. He relinquishes the post of Assistant Secretary of the Company. Mr. C. M. Beck is simultaneously named as Assistant Secretary.

Social Welfare Plan Saps Ducks' Morale

From Our Own Correspondent

WINNIPEG — A game branch census estimates that 250,000 of Manitoba's duck population are counting on the government's social assistance program started three years ago by establishing feeding stations for them on the Delta marshes at the south end of Lake Manitoba.

So many birds flocked to the stations this year the government had to put them on short rations.

In the meantime it is trying to find a way to get out from under without angering farmers whose protests were responsible for the scheme in the first place.

Six or seven years ago farmers with land fringing on the marshes started to protest that wild ducks were destroying their crops. Each year pressure for action mounted.

Three years ago the government decided to act. **It undertook to feed the birds for a brief period before start of the hunting season.** The game branch picked four feeding stations, three on the south side of the marshes, one on west shore of the lake near Langruth.

Trucks were backed up to the shore, low grade grain scattered on the ground and dumped into the shallow water.

At first the distribution was made by farmers. Finally it was taken over by the game branch.

For the first two years the cost was about $30,000 a season.

The second year there were more ducks to feed.

This year through whatever grapevine wild ducks have, all the birds seemed wise.

Even though start of feeding was delayed three weeks beyond the previous two years an estimated quarter of a million congregated at the feeding stations.

Even the diving species which normally forage for themselves in semi-stagnant waters near the shore gave it up to join the line for a handout.

About 7 oz. of grain per day, according to game authorities, will gorge the appetite of a healthy duck.

Giving 250,000 all the barley they could eat would be equivalent of about 2,380 bu. per day which at 80c a bushel would mean a daily outlay of about $1,900.

This computation was a shock to the government. Instead of starting the feeding season Aug. 1, it held off until Aug. 26.

In the interim it tried to scare the birds by using an exploding device termed the Zon-Bang and by low altitude airplane flights.

The ducks left the grain fields but wouldn't budge from the feeding stations.

More money was saved by skimping rations to 450 bu. per day.

With opening of the shooting season Sept. 16 the ducks were turned over to hunters.

This year the province will get off with about $8,000, plus whatever has to be paid for plane flights and scaring devices.

Manitoba Hunters Invest Over $10 Million in Ducks

From Our Own Correspondent

WINNIPEG — Manitoba hunters have invested an estimated $6 million to $8 million in guns, waders and clothing for the duck hunting season which opened this week.

With cost of hunting lodges, transportation expense, and food supply, the hunting investment in Manitoba is closer to $10 million.

These figures don't include shells which represent a known yearly outlay well over $1 million, possibly close to $1.5 million.

Hitherto shell supplies have come from **Canadian Industries Ltd.**

Since 1959 a French firm, **Gevelot (Paris) Ltd.,** has been in the field operating from Saskatoon.

Thus far its shells have been made and loaded in France but starting in November or soon after they will be turned out from the Saskatchewan plant.

For the 1959 season 30,460 hunters had licenses for shooting waterfowl and upland game birds.

This year the hunting army looks as if it will be bigger although accurate figures will not be available until after close of the season.

Tighter restrictions have been put on canvas back and redhead ducks, two species becoming alarmingly scarce.

Last year hunters were permitted to take a total of four for both. This year the limit is one canvas back or one redhead but not one of each.

The game branch asks hunters not to shoot either but one will be permitted on the assumption it is a mistake. More than one will invite prosecution.

North of the 55th parallel the season opened Sept. 1 and closes Oct. 29.

Between the 53rd and 55th, which includes The Pas marshes, hunters were able to start at noon Sept. 9, the season ending Nov. 19.

South of the 53rd parallel, except in the Delta Waterfowl Control area at the south end of Lake Manitoba, the season is from Sept. 16 to Nov. 26. In the control area the dates are Sept. 30 to Nov. 26.

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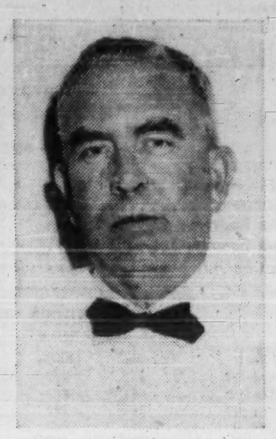
Businessmen Head Charity Drives Across Canada

JIM CRAWFORD, chairman of the Thompson Valley United Appeal Society at Kamloops, B.C., is the division commercial manager of the **B. C. Telephone Co.** He was born in Newcastle-on-Tyne, England, in 1903 and came to Vancouver when he was six years old. There he remained until June of 1956 when he moved to Kamloops. He has been associated with the Thompson Valley United Appeal since its beginning.

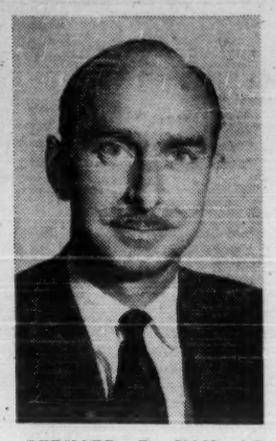
LEO SINGER is chairman of the Lethbridge Community Chest. He was born in Romania in 1913 and emigrated in 1922, with mother and sister, to Scollard, Alta. He attended public school and business college in Calgary. He moved to Lethbridge in 1930 where he started a men's and boys' clothing business. He is a member of the Canadian legion, past president of Green Acres Kiwanis and a member of B'Nai Brith.



DAVE BROADFOOT is general campaign chairman for the third campaign of the United Fund of Medicine Hat and Redcliff. He was born and raised in Redcliff, 6 mi. west of Medicine Hat. He taught school for seven years in Whitehorse, is now manager of Redcliff Hotel. He served as mayor and councilor of Redcliff. During World War II he served for six years with the Royal Canadian Artillery.

GORDON GIBSON, chairman of Vancouver's United Red Feather Appeal, has been involved in the logging, mining, fishing, transportation and radio industries. He is managing director of **Gibson Bros. Industries Ltd.** Gibson, whose father was one of the original miners on the Yukon trail, was born 100 mi. north of Dawson City in 1904. He represented Lillooet in the provincial legislature in 1935 and 1954.

S. A. ENGLISH, chairman of the Calgary Community Chest — Red Cross United Appeal campaign, is branch manager of **Imperial Life Assurance Co. of Canada.** He has lived in Calgary since 1945, after being discharged from the RCAF with the rank of flight lieutenant. He has been an active worker for the Community Chest for 17 years. He is active in many community efforts, is a member of the Rotary Club.



BERNARD P. VAN AGGELAN is chairman of the Community Chest Campaign for Greater Victoria. He is also Vancouver Island sales unit manager for **Swift Canadian Co.** Since joining Swift's in 1947 he has held various positions in Western Canada. He was born in Winnipeg and educated in Calgary and Vancouver. He is group chairman of the Boy Scouts and player agent of the Oak Bay baseball Little League.

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Heads Ag Chemical Association

J. K. Brown of Montreal is new president of the Canadian Agricultural Chemicals Association.

He is general manager of Green Cross Division of **Sherwin Williams Co. of Canada.**

Other officers:

J. G. Hastings, **Chipman Chemicals,** Hamilton, first vice-president; D. K. Jackson, **Monsanto Canada Ltd.,** Montreal, second vice-president; C. R. Burrows, **Allied Chemical Canada Ltd.,** Montreal, secretary; M. Propas, **Chemical Specialties Assn.,** Sarnia, treasurer.

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August Public Works Total $10.5 Million

Contracts totaling $10.5 million were awarded by the Federal Department of Public Works during August, 1960.

Amount for new works in building construction and harbors and rivers engineering was $6.6 million; for repairs and maintenance of existing structures, $833,701; for construction of the Trans-Canada Highway through national parks and other roads, $3 million; and for dredging, $184,585.

Among the major projects for which contracts were awarded during the past month were:

Newfoundland

Lewisporte — railway wharf and shed, **Universal Constructors & Engineers Ltd.,** Saint John, N.B. $1,150,421

Nova Scotia

Sydney — improvements to wharf, **Universal Constructors & Engineers Ltd.,** Saint John, N.B. $545,704

Halifax—addition and alterations to federal building, **Cambrian Construction Ltd.,** Montreal $895,000

Cape Breton Highlands National park—paving mi. 15 to 21 and mi. 22.5 to 23.5, Cabot Trail, **Tidewater Construction Co.,** New Glasgow, N.S. .. $403,210

Prince Edward Island

Summerside — detachment quarters for RCMP, **M. F. Schurman Co.,** Summerside, P.E.I. $45,730

Quebec

Montreal — repairs and improvements to provide for installation of electronic mail sorter at postal terminal building, **Noma Construction Co.,** Montreal $15,960

Ontario

London — postal terminal building, **Ellis-Don Ltd.,** London $3,161,000

Moose Factory—double house and four-bedroom house for Department of Citizenship and Immigration, **Pulsifer Construction Ltd.,** Kirkland Lake, Ont. $74,700

Ottawa — alterations to engineering research laboratories at Central Experimental Farm, **Landino Zuccarini,** Ottawa $34,961

Ottawa—construction of total body monitor wing, radiation protection building in Riverside Drive development area, **Shore & Horwitz Construction Co.,** Ottawa $66,873

Ottawa — alterations to cold water mains at Rideau Hall, **Ottawa Mechanical Services Ltd.,** Ottawa $20,098

Ottawa—installation of emergency diesel generator plant in the Lorne Building, **Universal Electric,** Ottawa $13,200

Lakeview — three-classroom school and two 3-bedroom residences at Manitoulin Island Agency for the Department of Citizenship and Immigration, **Sheppard & McDermid Construction,** Little Current, Ont. $97,640

Alberta

Hobbema Indian Agency — three-bedroom staff unit at Samson Reserve, for Department of Citizenship and Immigration, **R. B. Construction Ltd.,** Ponoka, Alta. $16,160

Magrath — post office building, **R. Osterburg,** Lethbridge, Alta. $21,745

Banff National Park — reconstruction of Banff Ave., Banff Townsite, **General Construction Co. (Alberta),** Lethbridge, Alta. $274,177

Banff National Park — grading, culverts, sub-base course and construction of Nigel Creek Bridge, mi. 67.7-74, Banff-Jasper Highway, **W. & G. Grant Construction Co.,** Don Mills, Ont. $1,382,814

Saskatchewan

St. Philips — six-classroom school at Pelly agency, for Department of Citizenship and Immigration, **Matheson Bros. Ltd.,** Yorkton, Sask. $327,370

Northwest Territories

Fort Smith — construction of federal housing (1960-61) and repairs to RCMP hangar, **St. Laurent Construction Ltd.,** Edmonton $139,506

Fort Providence — construction of approaches, causeways and haul-out facilities for MacKenzie River ferry crossing, **MacNamara Construction Western Ltd.,** Edmonton .. $231,357

Fort Providence to Frank Channel — gravel surfacing, MacKenzie Highway extension, **Dales Construction,** Edmonton $496,990

Fort Providence — construction and delivery of steel ferry, **Erickson & Rimmer & Sons Construction Ltd.,** Edmonton $116,500

British Columbia

Yoho National Park — relocation of railroad and stream diversion in vicinity of Wapta Lake, **W. & G. Grant Construction (Pacific) Ltd.,** Don Mills, Ont. $57,775

Dredging contracts

St. Lawrence, Nfld. — **J. P. Porter, Co.,** Montreal .. $26,315

Richibucto Cape, N.B. — **Leo Leblanc,** Richibucto, N.B. $10,500

Lac des Isles, Que.—**Provost Construction Ltd.,** St. Donat, Que. $9,090

La Tuque, Que. — Mr. **Sylvio Beland,** Grande Anse, Que. $7,100

Rondeau, Ont. — **Dean Construction Co.,** Toronto $30,780

Port Stanley, Ont. — **Ontario Marine & Dredging Ltd.,** Toronto $100,800

Free Cheque Paper May Go In Banks' Economy Drive

One more service by chartered banks is likely to be abandoned — free safety paper for companies printing their own cheques.

Over the past several years, banks have been jettisoning certain free services one by one, to keep costs on an even keel.

Final decision has not yet been taken on paper supplies. But one Toronto-based bank is on the verge of withdrawing from this field.

If it does, it will probably be on the understanding that other banks will follow suit.

Banks will continue to supply their standard cheque book to current-account customers. But it is unlikely that customers who print their own cheques will be given the necessary paper, or an allowance equivalent to the cost of the paper, by their banks.

Bank officials say that the cost of supplying the watermarked safety paper has grown too high, as a result of the growth in numbers and sizes of cheque and voucher forms to meet the requirements of today's advanced office equipment.

Cost of supplying standard cheque books, printed in heavy volume, is expected to be considerably less than the cost of furnishing small quantities of the special blank paper.

One businessman contended that the decision could work against the interests of a bank.

If a company has a supply of cheque forms printed with its name and the name of the bank, it is less likely to transfer its account to a rival bank than if it were using blank cheque forms.

U.S. Engineers May Study Great Lakes Water Levels

From Our Own Correspondent

WASHINGTON — A study of fluctuating water levels in the Great Lakes is being considered by the U. S. Army Corps of Engineers.

The engineers began a study eight years ago, but it was not completed. Consideration is now being given to finishing this examination.

Wisconsin Senator Alexander Wiley, Republican, has urged the engineers to finish their work. He suggests the study could:

- **Determine** the possibility and feasibility of attempting to control water levels on the Great Lakes.
- **Devise ways and means** for protecting areas adjacent to the lakes from damage due to either extremely high or low water conditions.

Wiley has written a letter to Lt.-Gen. E. C. Itschner, head of the U. S. Corps of Engineers strongly recommending the study be reactivated.

He noted that the Great Lakes water levels fluctuate in irregular long-range cycles in a range of about 5 ft.

Wiley said it has been officially estimated that in the single year 1951-52, damage from high-water levels to the Great Lakes shoreline properties was $61,000 million.

He wants the engineers to request money in their next year's budget proposals to complete the study which would take another half dozen years.

NEW LEMON DRINK

Canada Dry Ltd. has placed a new thirst quencher — called Hi-Spot — on the Canadian market. It is a light carbonated lemon drink designed for straight beverage or mixer. It will be distributed nationally.

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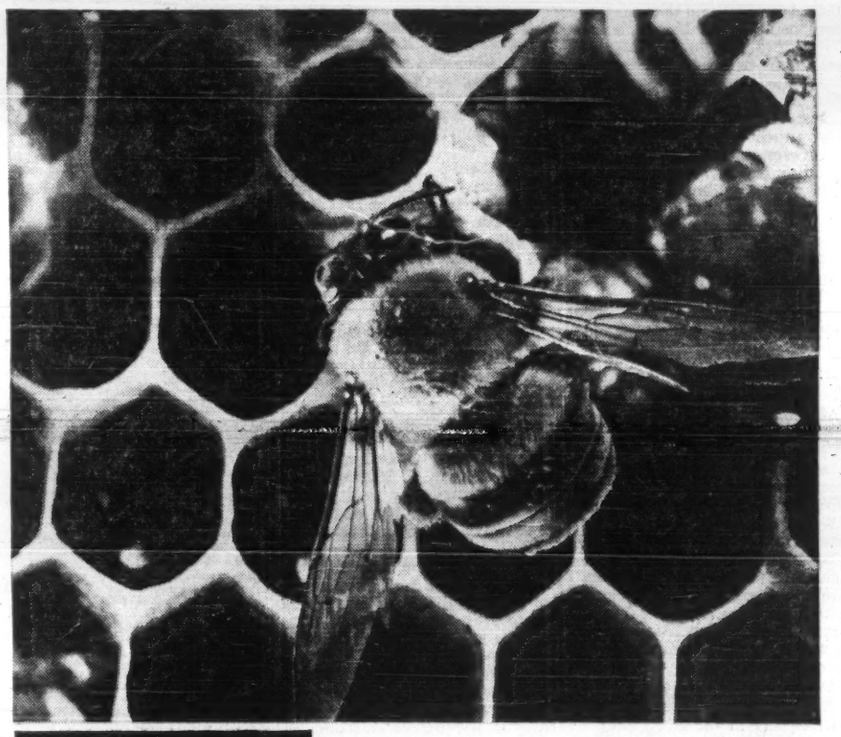
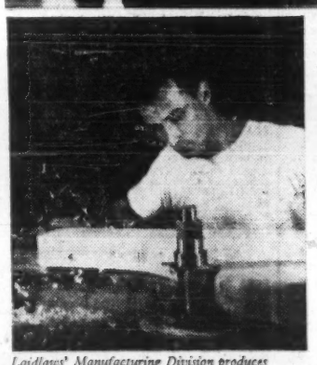




Laidlaws' Manufacturing Division produces quality material to meet the detailed demands of architects. Skilled craftsmen utilize the latest methods and equipment to guarantee the accuracy of your particular specifications.

Industry with a purpose

No sting, no sweetness, just facts! The purpose of industry is to succeed. One of the formulas for success is to provide a comprehensive choice of materials, and to fill your orders from these materials *on time.*

Our philosophy—straight-forward, direct, simple—is backed up with a warehouse stocked with all your lumber and allied building needs, with outstanding buying power, with a custom manufacturing division, and with a fleet of trucks allowing us to make quick, efficient, on-time deliveries.

This simple formula can mean your success, too, when your requirements are lumber or allied building materials—Laidlaws provide *what you want—when you want it.*

LAIDLAWS

Serving the industry better—through lumber dealers

R. LAIDLAW LUMBER COMPANY LIMITED, OAK STREET, WESTON, ONTARIO • PHONE CHERRY 4-1741

Position of Chartered Banks of Canada as at July 31, 1960 Shown by Monthly Returns to Minister of Finance

(Amounts in thousands of dollars)

ASSETS

NAME OF BANK	Gold & coin in Canada	Gold & coin outside Canada	Notes & deposits with Bk. of Can.	Gov. and bk. notes other than Cdn.	Dep. with oth. banks in Cdn. currency	Deposits with oth. bks. in currencies oth. than Cdn.	Cheques and oth. items in transit, net	Gov. of Can. treasury bills	Dom. Gov. Short Term Sec.	Dom. Gov. Long Term Sec.	Prov. Gov. Sec.	Municipal Sec.	Other Cdn. Sec.	Securities oth. than Cdn.	Mtges.	Call and short loans in Can.	Call and short loans outside Can.	Loans to Cdn. Prov. Gov.	Loans to municipalities	Other current loans in Can.	Other current loans outside Can.	Noncurrent loans	Bank premises	Shares and loans in corporations	Letters of credit	Other assets	Total assets
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	5,227	36	211,345	5,274	1,731	121,287	182,639	230,521	116,271	308,781	59,248	37,874	95,219	101,480	238,468	41,969	114,509	8,459	37,439	1,218,205	72,253	483	52,383	7,466	57,721	1,754	3,328,072
Nova Scotia	2,070	339	78,186	8,021	44	62,757	97,879	85,024	50,990	110,183	22,587	18,177	38,837	90,397	63,938	17,140	254,807	877	13,018	725,331	265,562	1	28,952	8,306	32,291	584	2,075,104
Toronto-Dominion	2,708	1	86,237	3,645	103	23,454	101,179	91,722	16,999	138,287	31,021	27,758	41,441	48,385	109,523	13,179	158,264	3,190	12,984	736,185	48,384	126	28,454	....	19,606	679	1,763,714
Provincial	1,050	.....	20,664	807	....	1,379	10,237	31,463	14,000	41,834	16,858	13,092	8,709	.....	4,383	20,841	....	743	16,114	131,735	.....	1	3,412	5,048	911	228	365,820
Commerce	4,247	91	179,979	4,334	2,233	59,477	112,791	140,950	120,961	211,231	48,784	38,943	86,111	219,719	192,266	34,042	163,442	4,452	26,745	1,043,916	111,039	431	40,652	19,774	34,098	1,753	3,003,561
Royal	4,301	868	200,855	22,902	498	306,994	119,557	189,463	125,376	251,665	98,974	42,748	196,444	308,402	291,626	66,394	241,294	10,329	40,141	1,244,900	247,193	283	49,271	4,934	71,429	3,430	4,140,283
Nationale	1,859	.....	46,352	1,254	41	4,929	41,913	79,708	51,733	81,436	26,898	15,706	6,553	1,740	25,825	13,860	....	1,531	33,664	308,116	305	43	9,909	.....	1,957	106	738,138
Imperial	1,892	.....	70,383	1,522	1,206	9,637	40,507	82,365	34,421	60,378	19,144	9,186	15,072	.....	57,395	22,171	33,154	315	6,384	457,435	21,835	49	11,298	2,750	23,382	340	965,121
Mercantile	9	.....	1,811	29	63	8,170	1,071	1,038	4,292	2,287	.....	59	1,149	1,773	.....	2,069	3,583	.....	.....	12,979	39,088	26	319	.....	2,637	123	82,976
Total	23,063	1,333	895,812	47,788	5,918	499,084	708,573	932,254	535,043	1,405,182	343,514	203,543	490,435	771,896	983,434	231,665	969,053	29,896	190,489	5,898,803	805,659	1,445	222,656	48,278	244,233	9,048	16,499,093

(Amounts in thousands of dollars)

LIABILITIES

NAME OF BANK	Deposits by Govt. of Canada in Cdn. currency	Deposits by Canadian prov. govt. in Cdn. currency	Deposits by oth. banks in Cdn. currency	Deposits by other banks in curr. oth. than Cdn.	Personal savings dep. in Cdn.	Notice deposits in Cdn. Curr.	Demand deposits in Cdn. currency	Other deposits in currencies oth. than Cdn.	Adv. from Bk. of Can. secured	Acceptances, guarantees and letters of credit	Other liabilities	Capital paid up	Rest account	Undivided profits at latest fiscal year end	Total liabilities
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	63,038	37,628	43,876	30,371	1,600,916	83,027	829,531	344,332	.....	37,721	10,873	60,750	139,850	1,072	3,328,072
Nova Scotia	31,116	8,791	6,395	336,270	745,150	47,435	370,275	381,105	.....	32,291	8,814	25,300	60,952	1,202	2,075,104
Toronto-Dominion	24,748	8,082	12,047	76,643	838,321	48,320	430,287	223,023	.....	19,806	6,827	24,000	57,500	1,600	1,763,714
Provincial	11,467	4,624	781	123	182,487	47,598	98,483	625	.....	911	1,498	7,000	10,300	133	365,820
Commerce	53,915	25,800	17,369	160,128	1,360,871	80,309	737,030	345,820	.....	34,098	11,501	54,000	119,800	3,122	3,003,561
Royal	56,444	26,333	36,242	168,736	1,565,811	118,702	961,778	820,979	.....	71,429	28,458	66,302	220,358	521	4,140,289
Nationale	23,358	3,487	2,730	252	421,023	72,970	178,782	5,388	.....	1,957	2,379	10,000	32,000	812	738,138
Imperial	16,344	38,817	10,557	24,718	574,421	43,276	255,858	37,660	.....	23,382	4,756	13,440	40,326	1,372	965,121
Mercantile	104	83	1,936	41,891	1,713	3,394	7,209	19,946	.....	2,637	262	5,000	400	1	82,976
Total	282,054	153,805	138,241	857,130	7,190,715	541,811	3,859,341	2,178,878	.....	244,233	77,170	363,792	701,591	10,038	16,499,093

Market Comment

What stocks and bonds are doing and what prominent observers say

International tensions, less-than bright business prospects and uncertainties of a U. S. election year, are cited as reasons for this week's market break in New York.

The tumble on Wall Street saw the D-J industrial average break below the so-called 600 "resistance level" for the biggest drop in five years. But at mid-week, prices were beginning to move irregularly higher in active trade.

Decline on Canadian boards was less severe, with share turnover dropping on the downswing. Some market observers feel that the bottom has not yet been reached, both here and in New York, and continue to urge caution. One view is that Canadian stocks are not likely to be affected by further declines to the same extent as U. S. stocks.

* * *

H. R. McCUAIG, McCuaig Bros. & Co., Montreal.

A great deal of attention has been focused on the 600 level of the Dow Jones industrial average which was decisively penetrated on the downside last Monday.

The general expectation had been built up to think in terms of a major drop if the 600 level were broken, but such widely publicized events seldom follow.

Some continuation of the downtrend in New York is now likely, but its most probable extent should be in the order of about 10%. The preceding rise from 419 to 685 was 266 points, and a full correction of this advance would bring the average to the 520-550 range. We may well be not far from an important buying area rather than in the middle of a major bear market in American stocks.

Since Canadian markets have not participated relatively in the big New York advance, and have been speculatively out of favor for three years, they are now unlikely to be affected to the same degree by further weakness in New York.

Indeed for some weeks Canadian stocks have been showing relatively better market action than American, and this was again demonstrated on Monday's New York break-through. Volume of selling in Canadian markets was moderate, and, with the exception mainly of interlisted issues, our stocks held in most cases well above their lows of early summer.

Investment analysts have been pointing out that many Canadian stocks were selling at reasonable levels in terms of values and prospects, and also in relation to foreign stocks.

All in all, an excellent buying opportunity looks to be in the making for such groups as our banks, papers, breweries, public utilities, finance companies and oil and gas stocks.

* * *

H. E. BOULTER, Draper, Dobie & Co., Toronto.

Since commenting here in February and again in July the main change in the market has been the improving bond market and the drop in the bank rate from about 5% to a little over 2%, but with the exception of a few investment stocks there has been little response to the better money background. Except for a few special situations there has been a minimum of speculative response and a declining inflationary impetus to common stocks.

The Canadian market having missed the speculative buying (principally in the electronics in the U.S.) can be said to be as free from speculative pricing as it has been for many years. However, in the meantime a great many of our natural resource issues have improved immeasurably in their asset and earnings positions.

If one compares the prices of such stocks with their inflated prices of three or four years ago, when they possessed virtually nothing but hopes, it can be seen that accumulation now during this period of depressed prices minimizes the hazards of speculation. It is doubtful if ever before have so many Canadian mining and oil stocks had so much in actual assets behind each share.

Again, as in February and July the Canadian market is subject to the mental attitude reflected through the New York market and, as usual, we are unlikely to see higher prices until the averages settle after their breakdown through the 600 level for the D-J industrials.

However, if the Bank Index, which has led a steady uptrend since the lows of March, continues to hold the line above the 315 price zone, it can mean a better market starting in October and continuing through after the U. S. elections.

With gold in London at a new high, since the gold trading market started there, a growing interest has developed, particularly among U. S. investors in our better gold issues. At present the international situation makes any market estimate precarious particularly as we are subjected to the uncertain U. S. opinion on both trade and world affairs.

But for value the Canadian market looks better all the time. Our composite average is only 80% of the 1956 highs whereas New York, even in this decline, remains 115% of the tops four years ago.

* * *

ROBERT C. STONE, Deacon Findley Coyne, Toronto.

The near-term outlook for the stock market is down. Disappointment in the economy, characterized by lower prevailing growth rates in many industries compared with postwar experience, dominates market performance. The North American economy's inability to absorb a higher percentage of new persons entering the labor force than it has to date in 1960 is ominous for the months ahead.

Nevertheless, greater stability in the price structure of the Canadian industrial stock market than New York should be anticipated, particularly in the public utility, food and financial groups. Attractive opportunities are likely to present themselves for investors in the period ahead.

Particular attention should also be given to the natural gas group, since this is the Canadian industry which is still in a dynamic growth stage.

The excellent reception given the CNR bond issue by institutions and, after some hesitancy, private purchasers, leading to a slight premium over issue price, argues that prices for long-term bonds have not yet reached a peak.

The reluctance of financial institutions which require a high degree of liquidity to enter the long-term bond market in size has, it is felt, contributed heavily to the modest return available on short-term investments. Should the government's borrowing requirements be stepped up considerably in late winter 1960-1961, a reversal of this trend could be indicated.

U.K. Stocks Fall Back As New York Declines

From Our Own Correspondent

LONDON — Apart from government bonds, which have remained quietly firm, most sections of the London market have fallen to lower levels.

Doubts concerning the business prospect in North America is one of the factors making for caution.

The Financial Times industrial index has dropped back from 338.6 to below 324 following the setback on Wall St. Insurance shares turned easier on fears of hurricane losses in the U. S.

Daily Mirror Newspapers has been firm on the deal with **Albert E. Reed,** under which D.M. will transfer to Reed its controlling stake in **Anglo-Canadian Pulp & Paper** and **Imperial Paper Mills.**

D. M. will still be the dominant force in this group as the proposed share exchanges will give it effective control over Reed, in which it already has a substantial interest.

Hopes of an early return to easier credit conditions in the U. K. have been dampened again.

Following a small decline in the Treasury bill rate, some of the London discount houses have been forced into borrowing from the Bank of England on 6% terms. This has been interpreted as a signal that the authorities still want to keep interest rates high.

Here are Canadian prices of some leading U. K. securities:

(Supplied by Wisener, Mackellar & Co., Toronto)

	Recent Bid	Ask	Sept. 17 Bid	Aug. 15 Bid
Industrials	$	$	$	$
Bowater Paper	7¼	8¼	8½	8½
CPR 4% nc pref.	1.74	1.79	1.70	1.68
Courtaulds	7¼	8¼	7¼	7¼
Daily Mirror 'A'	1¼	2	1½	1¾
Hawker Siddeley	4¼	4½	4⅛	3¾
Hudson's Bay Co.	22½	22¾	22⅛	22⅛
Imperial Chemical	9.30	9.60	9.65	8.70
Motors				
British Motor Corp.	2⅛	2½	2¼	2⅛
Ford Motor	12⅛	13⅛	13⅛	13⅛
Jaguar	8½	9	9¼	9
Oils				
British Petroleum	6¾	6⅞	6⅜	6½
Shell Trans. & Trading	16¾	17¼	16⅞	18
Royal Dutch	30⅞	31⅛	31⅞	35¼
Steels				
Colvilles	10⅛	10⅞	10⅛	10⅛
Dorman Long	6	6½	6¼	6¼
Stewarts & Lloyds	6⅞	7⅛	7¼	7⅛
John Summers	9¼	9¾	9⅞	9⅝
United Steel	11⅛	11⅞	11¾	11⅞
South African				
Free State Geduld	17½	17⅝	17½	15½
Rhymers	3.55	3.80	3.50	3.40
President Brand	8¼	9	8⅜	7⅛
Govt. Bonds			$ per £100	
Convers. 5/71	247	250	248	244
Transport 3/78/88	166	170	165	160
Victory 4/76	251	256	252	244
War 3½ Perpetual	166	170	165	160

Sterling Trusts Issues Rights

Shareholders of **Sterling Trusts Corp.** will have the right to buy one new share at $40 for each five held Sept. 30. Warrants expire Nov. 15.

Recent price: $55.

Toronto Stock Exchange member **Charles H. Burgess & Co.** will underwrite unsubscribed shares at issue price.

The offering of 9,400 shares will bring $376,000 new capital into the treasury.

Paid up capital at Dec. 31, 1959, totaled $939,450, and reserve $775,000.

Canadian Auto Production

	Week Ending Sept. 17	Same Week 1959	Year To Date 1960	Year To Date 1959	% Change To Date
CARS					
General Motors:					
Buick	170	272	6,299	6,479	
†Chevrolet	262	598	58,818	57,679	
Oldsmobile	172	466	7,245	11,605	
Pontiac	63	121	54,409	45,994	
	667	1,457	126,771	121,757	+4
*Ford:					
†Ford	588	270	41,606	39,402	
Mercury	47	30	3,222	4,690	
†Meteor	171	135	20,843	24,975	
Monarch	76	10	3,370	3,765	
	882	445	69,041	74,442	—7
Chrysler:					
Chrysler	177	72	2,750	4,520	
DeSoto	...	40	1,904	873	
Dodge	258	75	14,993	14,903	
†Plymouth	438	306	14,291	12,021	
	873	493	34,938	32,317	+8
Studebaker-Packard:					
Studebaker	...	238	3,666	5,840	—37
Total cars	2,422	2,633	234,416	234,356	....
TRUCKS					
General Motors	425	276	25,985	24,518	
Ford	420	205	15,407	13,496	
Chrysler	99	131	4,059	4,914	
International	221	261	8,614	10,308	
Total trucks	1,165	873	54,065	53,236	+2
Total cars, trucks	3,587	3,506	288,481	287,592	....

*Includes Edsel production, 1959 model year.
†Chevrolet includes Corvair, Ford includes Falcon, Meteor includes Frontenac, Plymouth includes Valiant.
Source: Canadian Automobile Chamber of Commerce.

Unlisted Industrials

(Compiled by McDonnell, Adams & Co. Ltd., Toronto)

Sept. 16, 1960

CORPORATIONS	Bid	Asked
Alexander Bldg.	16.00	....
Anglo Can. Tel. A	35.50	37.00
Border Chemical	4.75	5.25
Brinton Pete Carpet	40.00	50.00
B. C. Tel 4¾% pfd.	82.50	....
Do 4½% pfd.	84.00	....
Do 4¾% pfd.	88.50	....
Do. 5¼% pfd.	102.00	104.00
Do 6% pfd.	104.00	....
Do. 6¼% pfd.	106.00	107.00
British Newfoundland	1.75	2.25
Calgary Power 4% pfd.	75.00	78.00
Cdn. Admiral Corp.	....	15.50
Cdn. Canners B	11.00	....
Cdn. Chemical warr.	2.40	2.50
Cdn. Corp. Management	8.25	9.00
Cdn. For. Sec's	8.00	....
Capital Wire Cloth	20.00	....
Cawthra Apts	60.00	....
Clairtone Sound Equip.	3.40	3.55
Commercial Finance	63.00	....
Concourse Building	....	145.00
Copp Clark 6% pfd.	81.00	....
Debentures & Sec's pfd.	80.00	....
Dollar Land Corp. units ($100 7% deb. & 6 common)	162.00	166.00
Dom. Linseed Oil Units	3.25	....
Essex Packers pfd.	33.50	....
Do. common	3.00	....
Goderich Elevator	17.50	18.50
Granite Club	14.25	15.00
Gt Britain Can. Inv. pfd.	85.00	88.00
Do. com.	16.25	....
Hart Battery (1957) Units	3.25	....
Hees, George $6.00 pfd.	16.00	....
Hudson's Bay Company	22.25	22.75
Humberstone Shoe	7.00	8.00
Ingersoll Machine 4% pfd.	65.00	....
Do B	3.00	....
Jenkins Bros.	59.00	62.00
Lake Ont. Port Cem. com.	1.60	2.15
Do. pfd.	5.00	6.00
Do. wts.	.60	1.00
Lord Simcoe Hotel A	.50	.80
McCarthy Milling A	4.25	....
Meadowvale Development	3.40	3.65
Mindustrial Corp.	1.60	....
Mutual Finance Corp. pfd.	.75	....
Nova Scotia L. & P. 4% pfd.	73.00	....
Do. 4½% pfd.	83.00	....
Pacific Western Airlines	1.60	1.90
Park Lawn Cemetery	2.50	....
Pembroke Electric Light	105.00	....
Philips Lamp	145.00	148.00
Prairie Royalty Trust	1.75	....
Rapid Grip 6% pfd.	97.50	....
Robin, Jones & Whitman p.	15.00	....
S.K.D. Mfg. 6% pfd.	....	10.00
Scott Misener S.S.	12.50	13.75
Standard Fuel 4½% pfd.	34.00	....
Steelman Gas	2.15	2.30
Teleflex Limited	11.25	12.25
Thompson Paper pfd.	44.00	47.00
Toronto Brick	....	16.00
Toronto & London Inv's	2.75	2.40
Trans-Can. Freezers warr.	.75	....
Toronto Medical Arts Bldg.	58.00	61.00
Triarch Corp.	112.00	115.00
Universal Cooler 6% pfd.	53.00	58.00
Do. B pfd.	2.00	2.75
Do. common	1.40	....
Waterloo Mfg.	....	8.25
Westcoast Transmission	15.75	16.25
INSURANCE COMPANIES		
British America Assce.	103.00	106.00
Cdn General Insce	500.00	....
Commercial Life 20% paid	32.50	....
Crown Life Insce.	200.00	....
Dom. Can. Gen. Ins.	44.00	....
Dom. Life Assce	185.00	....
Excelsior Life	225.00	....
Great-West Life	333.00	342.00
Guar. Co. of N.A. fully pf.	97.00	....
Do. 60% pd.	77.00	....
London Life Insurance	176.00	181.00
Manufacturers Life*	255.00	....
Do †	250.00	....
Do ‡	245.00	....
Do¤	240.00	....
Maritime Life	135.00	....
Monarch Life	45.00	50.00
National Life Assce.	59.00	61.00
Sovereign Life 25% pd.	....	135.00
Western Assurance	79.00	82.00
Western Life 25% paid	104.00	....
TRUST & LOAN COMPANIES		
British Mtge. & Trust	255.00	....
Eastern Trust	28.50	....
Halton & Peel Trust	12.00	12.75
Industrial Mtge. & Trust	111.00	....
Prudential Trust	23.00	....
Waterloo Trust	46.75	47.50

*Original pledged. †Third pledged.
‡Second pledged. ¤Unpledged.

By Kippen & Co. Inc., Montreal

Consolidated Theatres A	7.00	8.50
Do B	2.50	....
Dupuis Freres pfd.	.15	....
Guar. Co of N. Amer.	100.00	....
Great Britain & Canada	16.00	....
Hart Battery units	3.50	....
Hudson's Bay Co. (new)	22.00	23.00
Maritime Tel. & Tel.	17.25	18.25
Mtl. City & Dist. Svgs. Bk.	57.00	58.00
New Brunswick Tel.	12.00	....
Ont. & Que. R. 5% cap. stk.	95.00	100.00
Prudential Trust Co.	21.00	....
Westcoast Transmission	16.00	16.50

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Sept. 20, 1960

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
Alg. Cen. H.B.R.	5½	'79	99	...	99
Bell Phone	5	'72	98	99	98
Bowater Pwr.	3½	'80	80¼	...	80¼
Braz. Traction L. & P.	4½	'70	79¼	83½	79¼
B. C. Electric	5½	'88	95	98	94½
Do.	5½	'77	101	101½	100½
B. C. Phone	5	'82	95	97	95
Calgary Pwr.	3½	'72	81	...	80½
Consumers' Gas	5	'78	95	98	94
Gatineau Pr. D	3½	'70	87	...	86
Gt. Lakes Pr.	5½	'77	99½	101	99½
Maclaren-Quebec Power	3	'69	84	...	84
Mexican L. & P.	5	'75	80	...	81
Nat. T. & Pr.	4½	'81	99½	...	99½
North. Que. Pr.	4½	'67	92	...	90½
Power Corp.	5½	'77	95	...	94
Que. Nat. Gas	5½	'85	82½	85	85
St. Maurice Pr.	3½	'70	85	87	85
Shaw. W. & Pr.	4½	'76	93	96	93
Tr. Can. P. L.	5.85	'87	94½	96	95
W'coast T. Deb.	5½	'88	83	85	86
Industrial Issues:					
Abitibi Pr. P.	6½	'77	104	106	103½
Do.	4	'74	85	...	86
Acadia-Atlantic Sugar	4	'74	86	...	88
Alum. of Can.	4½	'73	91½	94½	91½
Bathurst P. & P.	5½	'73	96½	99	96
Bicroft-Uranium	5	'62	99½	100½	99½
Can. Bread	4½	'67	91	93	91
Can. Cement	5½	'76	96½	99½	96½
Can. Steamship	4	'66	92½	...	92½
Cdn. Brew.	4½	'81	90	92	90
Cdn. Canners	3½	'70	86	88	87
Cdn. Celanese	3	'62	96½	...	96½
Cdn. Chem. Co.	5½	'71	94½	96½	94½
Cdn. Industries (1954) Ltd.	3½	'74	84	...	84
Cdn. Dyno	6	'63	99½	...	98½
Cdn. Oil	4	'76	87½	90½	87½
CPR	3½	'72	86	88	86
Do.	3½	'66	92	94	92
Can-Met	5½	'63	95	...	95
Cockshutt F. E.	4½	'65	92½	95½	92½
Cons. Denison	5	'62	99½	101	98½
Dom. Fdrs. & S.	4½	'69	94	96	92
Dom. Stores	5½	'76	99½	102½	99½
Dryden Paper	4½	'74	87½	...	85½
T Eaton Accept.	4½	'74	91½	94½	91½
T Eaton Realty	5½	'76	96	99	97½
E. B. Eddy	4	'74	82	...	81½
Elk Falls Co.	5	'75	87	...	88
G. Motors Acc.	4½	'69	95	98	95
Gt. Lakes Pap.	5	'76	93½	96½	93½
Gunnar Mines	5	'60	99	...	99
Hud. Bay O&G	4	'75	85½	88	84½
Husky Oil	5	'69	87	89	87
Imp. Tobacco	3	'70	85	87	90
Imp. Oil	3	'69	88	90	87½
Indust. Accept.	6	'77	102	104	102
Loblaw Groc.	6	'77	102	103	102
Loradio Uran.	6	'62	99½	101½	99½
Maple L. M.	3½	'63	93	95	93
Massey-Ferg.	4½	'76	84½	87½	84½
Milliken Lk.	6	'62	100	100½	100
North Cdn. Oil	5	'75	79	...	78
Northspan	5½	'63	98	98½	97½
Northstar Oil	4½	'78	90	...	89
Ont. Jockey Club ex. wts.	5½	'72	91	93	91
Phillips Elect.	5	'73	89½	...	88½
Price Bros.	3½	'66	90	92	90
Regent Refining	4½	'75	85½	88½	86
Rio Tinto	5	'63	98	...	97½
St. Law. Corp.	5	'72	96	98	95
Do.	6½	'80	106	...	106
Sel.-Shirriff-M.	6	'77	101½	103	101½
Simpsons Ltd.	4½	'73	93½	96½	92½
Steel Co.	2½	'67	89	91	87
Traders Finance	4½	'71	92	...	92
Union Accept.	5½	'68	92	...	92
Un. Grain Gr.	3½	'70	81	84	80½
Weston, Geo.	4½	'71	94½	97½	94

CONVERTIBLE ISSUES

Abitibi P. & P.	4½	'66	98½	100½	99
Atlas Steels Ltd.	5½	'67	98½	101½	98½
Braz. Tr. L. & P.	4½	'71	74½	77½	74½
B. C. Electric	6	'84	107	110	107
Cdn. Petrofina	4	'72	82	...	82
Cockshutt F. Eq.	5	'68	92½	94½	92½
Home Oil	5½	'71	94½	96½	94½
Do.	6	'75	98½	100	99
Shaw. W. & P.	5½	'72	106½	108½	105
Westcoast T.	5½	'88	90	92	92½
Weyburn Sec.	4½	'76	128½	132½	124
Phillips Elect.	5½	'70	89½	92½	88½
Siwood Dairies	5½	'72	99	102	98
Trans Emp. Oils	5	'66	95	...	95
Do.	5½	'67	95	...	95
Triad Oils	4½	'71	81½	83½	80½

Coming Events

Associated Credit Bureaus of Ontario convention, Oct. 24-26, King Edward Sheraton Hotel, Toronto.

Audit Bureau of Circulations annual meeting, Oct. 20-21, Biltmore Hotel, New York, N.Y.

Canadian Hardware Show, Feb. 6-9, 1961, Exhibition Park, Toronto.

Canadian Independent Telephone Association conference, Oct. 19-21, Royal York Hotel, Toronto.

Canadian Industrial Preparedness Association convention, Oct. 27, Royal York Hotel, Toronto.

Canadian Institute of Realtors conference, Oct. 3, Royal York Hotel, Toronto.

Canadian Manufacturers of Chemical Specialties Association third annual meeting, Oct. 24-26, Queen Elizabeth Hotel, Montreal.

Catholic Hospital Association, Ontario conference, Oct. 27-28, St. Joseph's Hospital, Toronto.

Central Canada Broadcasters Association (engineering division), Oct. 25-26, King Edward Sheraton Hotel, Toronto.

International Association of Electric Inspectors (Canadian section) conference, Oct. 28-29, Park Plaza Hotel, Toronto.

Insurance Service Association of America conference, Oct. 6-8, Royal York Hotel, Toronto.

Motion Picture Industry Council of Canada convention, Oct. 26-27, King Edward Sheraton Hotel, Toronto.

Motion Picture Theatres Association of Ontario convention, Oct. 24, King Edward Sheraton Hotel, Toronto.

National Council on Schoolhouse Construction conference, Oct. 4-7, Royal York Hotel, Toronto.

Ontario Association of Motor Coach Operators, conference Oct. 12-14, King Edward Sheraton Hotel, Toronto.

Ontario Association of Radio, Television and Appliance Dealers Inc. meeting, Oct. 16-18, Royal York Hotel, Toronto.

Ontario Federation of Agriculture conference, Oct. 31-Nov. 2, Royal York Hotel, Toronto.

Ontario Funeral Service Association convention, Oct. 25-27, Queen Elizabeth Building, and King Edward Sheraton Hotel, Toronto.

Ontario Hospital Association convention, Oct. 24-26, Royal York Hotel, Toronto.

Ontario Insurance Agents' Association conference, Oct. 13-14, Royal York Hotel, Toronto.

Ontario Public Health Association, Oct. 3-6, King Edward Sheraton Hotel, Toronto.

Technical Association of the Pulp and Paper Industry, corrugated container conference, Oct. 10-13, Royal York Hotel, Toronto.

Dividend Changes

MAPLE LEAF MILLING—Common, 15c payable Oct. 1 to holders of record Sept. 20; ex-dividend Sept. 16. The company had been paying 25c per share semi-annually with an extra of 10c paid July, 1960, but at the beginning of the current fiscal year, Aug. 1, the rate was changed to 15c per share, payable quarterly. Recent price: $15¼.

PACIFIC COAST TERMINALS—Common 50c plus $1 extra, payable Oct. 14 to holders of record Sept. 30; ex-dividend Sept. 28. [illegible] in 1960, $1 plus $2.50 extra; total paid to same date in 1959, $1 plus $2.75 extra; total paid in 1959, $1 plus $2.75 extra. Recent price: $67.

Worth Noting

Financing agreements and changes in financing deals, major changes in capital, filing statements are listed as reported by the Toronto and Montreal exchanges, Ontario Securities Commission.

CHESTERVILLE MINES purchasing further 50,000 shares of **Chemalloy Minerals** at $2.50 per share, participation in syndicate which bought total of 150,000 Chemalloy shares.

CONSOLIDATED WOODGREEN MINES underwriting agreement for 100,000 shares at 50c per share with options on further 300,000 shares extended to Mar. 23, 1961.

DUMAURIER MINES releasing 175,000 escrowed shares, leaving 500,000 in escrow; 60,000 shares held in trust for company. Also acquiring 12 mining claims.

DUVAN COPPER leasing its property to **D. F. Clarke Equipment Co.** to Aug. 1, 1961, for 50% of net profits on minerals sales after deducting for equipment rental, transportation costs, smelter charges. Agreement may be terminated if Clarke stops mining operations for more than four months. TSE filing statement.

DYNAMIC PETROLEUM PRODUCTS buying all shares of **Precision Radiation Surveys** and unproven properties for $309,649. Also agreement for underwriting of 115,000 shares at 45c per share, and options for additional 100,000 shares at 75c and 100,000 shares at $1. TSE filing statement.

GUARDIAN EXPLORATIONS agreement with **Hillmount Investments** to buy 100,000 shares at 10c and options on further 100,000 shares at 10c and four blocks of 200,000 shares each at 12½c, 15c, 17½c and 20c respectively.

HOWEY CONSOLIDATED MINES sold further $65,000 principal **Willroy Mines** bonds at market price, reducing holdings to $250,000 principal amount.

IRON BAY MINES extending option to consulting geologist to Feb. 27, 1961, to buy 20,000 shares at $1.75; also extending option to **Hains Engineering Co.** to same date to to buy balance of 7,000 shares at $1 per share.

JACMAR EXPLORATIONS agreement with **Seniac Investments** to buy 20,000 shares at 25c per share and options on further 180,000 shares at 25c and four lots of 200,000 shares each at 30c, 35c, 40c and 45c, respectively.

KILEMBE COPPER COBALT terminating options to president, in trust, to buy balance of 99,090 shares at $3 per share.

LEVACK NICKEL MINES releasing 100,000 escrowed shares.

LENX YELLOWKNIFE GOLD MINES granting option to **Southwest Potash Corp.** to buy 46 claims in Quebec for: $10,000 payable to **Transator Explorations,** spending of $150,000 by Southwest on development over five years. Lynx to receive 420,000 shares from authorized three million and have director should new company be formed.

MARINE OIL & GAS releasing 150,000 escrowed shares.

MARTIN-McNEELY MINES underwriting agreement for 200,000 shares at 40c per share with options on additional three lots of 200,000 shares each at 40c, 45c and 50c respectively and 100,000 shares at 60c and further 100,000 shares at 75c.

SARNOIL LTD. releasing 124,000 escrowed shares.

WEST CANADIAN OIL & GAS granting option to vice-president to buy 14,000 shares at $2.14 up to Dec. 31, 1961.

Unlisted Mines and Oils

(By Brokers Dealers Assoc. of Ont.)

Approximate quotations, 3.30 p.m., Sept. 19, subject to confirmation and change. An asterisk (*) indicates an increase in price, a dagger (†) a decrease in price.

	Bid	Ask		Bid	Ask
Abbican	3½	4½	Con Pnt	40	50
Abeta	21	31	Cordell	2	4
Abino	7	9	C Vauze	90	95
Acon C	45	50	Crackst	3	4
Do vts	33	38	Craibbe	27	30
Advance	3½	4½	Croydon	1	2½
Alexand	5	6	Deriac	4	5
Am Kirk	2	3	Despina	4½	6½
Anabar	1	3	Destord	½	1½
Anamaq	1	2	Dom E	20	22
Anuwon	1	2	Dumont	35	45
Arctic	½	1½	Dunvegn	3	4
Barima	11	13	E Lun	1	2
Beacon	1½	3	Echo In	½	1
Belfast	3	5	Ego	7	9
B Jx P	1	2	El Bonan	1	2
P Grass	½	1½	Eveniode	5½	7
Bour C	2	3	Exp All	1	2
Bracema	7	8	Farcroft	1	3
Bramin	7	8	Forty F	70	75
Bright	1½	2½	Gan Cop	2½	3½
Brilund	3	5	Gateway	3	4
B McD	6	8	Glenburk	*4	5
Bruce P	7	9	Glencona	½	1
Brunnet	3½	5	Glen Ech	2	4
Camdeck	3	4	G Harker	6½	8
Camlarn	2½	3	G Label	½	1½
Camray	½	1½	Goldmaq	2	3
C Rd C	6	8	Goldvke	1	3
C Al M	1½	2½	Gov Gold	2	3
Cn Fr	115	130	Hallman	4½	6
Caral	3	5	Hol Min	3	4
Castibar	9	10	Hornflt	6½	8
Cnt Man	3	4	Hubert L	4	6
Cent Hill	4	6	Hucamp	12	14
Chellew	1½	2½	Hud Un	3	5
Clinger	2½	3½	Independ	6	7
Clix	1½	2½	Ind Mt	8	10
Colubr	1	2	Ingnort	4	6
Comstock	2½	4	Jamaica	10	12
Con Cop	9	10	Jean L	5	7
Con Dur	14	17	Jerome	1½	2½
Cdn Frd	17	20	KB Min	5½	7
Con Hrp	6½	8½	Kamlac	9	11
Kenog	6	7	P Pnt	1030	1190
Kenda P	½	1½	Pitchn	4½	6
Lrndona	1	2	Prudent	4	6
Larunge	1	2	Quejo	2½	4
Larum	4	5	Quest	1	2
Lassie	8	10	Raglan	7½	9
L Expn	8	10	Rand M	3½	4½
Lk Reniz	3	4	Reddcon	5	7
Lunecho	†17	19	Redruth	1	2
Magoma	3½	5	Redbark	½	1½
Main O	†35	45	Richgrp	3	3½
Mal RL	3	4	R Tinto	90	110
Manecho	2½	4	Rob RL	22	25
Marchnt	*27	32	Romar	—	2
Maree	½	1½	Rugged	1½	2½
Mar Brd	3½	4	Russel	3½	5
Mat Can	6	8	Salmit C	4½	5½
Mat Yel	5	6	Sheldon	†9	10½
McCuaig	2½	3½	Shield	15	25
McFinley	4	6	Stad Qu	68	73
Mtles RL	2	3	Slate By	2	3
Minds	160	170	Sn Drift	10	15
Mirado	7	8	S Marys	5	8
Monico	1	3	Starlight	1	2
M Keno	1	2	Sunbear	½	1½
Mrky F	10	15	Thorncrt	1	3
Murmac	1	1½	Tower	1	3
Nasco	1½	2½	Tresdor	4	5
Nat Nw	†31	35	U Ridge	5	7
Nw Aug	2	3	Ungav C	1	2
N Insco	4	6	U Prin	185	190
Nw Met	5	6	Viking	†13	17
N Redwd	2½	4	Wadge	4	7
N Walc	1½	2½	Watson	7	10
Nicoba	2	3	Wesley	4	5
Nickel L	1	2	Westfld	16	20
Nipiron	8	10	West RL	3	4
N Offset	*5	6	W Wasa	*5½	7
Normar	1½	3	Y David	14	15
Oceanic	20	30	**OILS**		
Okland	3	5	BC Oil	1150	1300
Orofino	16	17	Do rts	700	850
Pacemakr	1	3	C Delh	†425	475
Pascalis	14	16	GS Gr	†1200	1400
Pax Nw	9	15	Harvest	19	22
Pelango	1	2	N Surp	65	75

DIVIDEND NOTICES

dividend notice

Notice is hereby given that a Dividend at the rate of Forty-seven and One-half Cents per fully paid share in the Capital Stock of the Bank has been declared for the quarter ending October 31st, 1960, and that an Extra Distribution at the rate of Ten Cents per fully paid share in the Capital Stock of the Bank has been declared for the year ending October 31st, 1960, payable at the Head Office and Branches of the Bank on and after November 1st, 1960, to shareholders of record at the close of business on September 30th, 1960.

By Order of the Board
Toronto, Ontario
September 8th, 1960

A. T. LAMBERT,
General Manager

THE TORONTO-DOMINION BANK
THE BANK THAT LOOKS AHEAD ..K-3445

IMPERIAL BANK OF CANADA

DIVIDEND No. 281

Notice is hereby given that a Dividend of Forty-five Cents (45¢) per share has been declared for the quarter ending 31st October, 1960, payable at the Head Office and Branches on and after Tuesday, the 1st day of November next, to shareholders of record of the 30th September, 1960.

By order of the Board.
H. W. THOMSON,
General Manager

Toronto, 14th September, 1960.

IMPERIAL
the **BANK** *that serves best*

UNITED KENO HILL MINES LIMITED

NOTICE is hereby given that an interim dividend of ten cents per share has been declared payable in Canadian Funds on October 21, 1960 to shareholders of record at the close of business on September 30, 1960.

C. R. ELLIOTT,
Secretary.

Toronto, Ontario.
September 15, 1960.

WOOD ALEXANDER LIMITED

Notice is hereby given that a regular quarterly dividend of 1½% per share has been declared on the 6% Cumulative Redeemable Sinking Fund Preference Shares, payable October 1st, 1960, to shareholders of record as at close of business September 16, 1960.

By Order of the Board.
J. I. WHITFORD,
Secretary-Treasurer.

DOMINION DAIRIES LIMITED

NOTICE OF
COMMON STOCK DIVIDEND

A dividend of ten cents per share has been declared on the Common Stock without nominal or par value of the Company, payable 15th October, 1960, to shareholders of record 30th September, 1960.

By Order of the Board of Directors.
J. A. SMITH,
Secretary.

MONTREAL, Que.,
13th September, 1960.

Belding-Corticelli Limited

NOTICE OF PREFERRED STOCK
DIVIDEND No. 183

A dividend of one and three-quarters per cent (1¾%) has been declared on the Preferred Stock of this Company, for quarter ending September 30th, 1960.

The above dividend is payable on the 1st day of November, 1960, to shareholders of record at the close of business the 30th day of September, 1960.

By Order of the Board,
R. H. ALSTON,
Secretary-Treasurer

IGA

M. LOEB LIMITED
OTTAWA, ONTARIO
DIVIDEND NO. 3

A Dividend of Ten Cents (10c) per share on the outstanding No Par Value shares of this company has been declared and is payable on the 28th of October 1960 to shareholders on record at the close of business on the 14th of October, 1960.

By order of the Board.

DAVID B. LOEB,
Secretary.

Ottawa, Ont.,
September 15, 1960.

GENERAL PETROLEUMS DRILLING CO. LTD.
Calgary, Alberta

NOTICE TO SHAREHOLDERS OF ANNUAL MEETING

NOTICE is hereby given that the First Annual General Meeting of the Shareholders of General Petroleums Drilling Co. Ltd., will be held at the Head Office of the Company, 3604 — 8th Street Southeast in the City of Calgary, in the Province of Alberta, on Friday, September 30th, 1960, at 11:00 a.m. for the purpose of receiving Report of the Directors, Financial Statements for the year ending March 31st, 1960, and the Report of the Auditors thereon, the Election of Directors and Auditors, and the transaction of such other business as may properly come before the meeting.

The Transfer Books of the Company will be closed from September 16th, 1960 to September 30th, 1960, inclusive.

By Order of the Board,
M. W. BISWANGER,
Secretary.

Dated at Calgary, Alberta,
this 9th day of September, 1960.

THE CANADIAN BANK OF COMMERCE
Dividend No. 295

NOTICE is hereby given that a dividend at the rate of forty-five cents per fully paid share on the outstanding Capital Stock of this Bank has been declared for the quarter ending October 31, 1960, payable at the Bank and its branches on November 1, 1960, to shareholders of record at the close of business on September 30, 1960.

By Order of the Board
J. P. R. Wadsworth,
General Manager

Toronto, September 16, 1960

LOWER ST. LAWRENCE POWER COMPANY
Head Office, Rimouski, P.Q., Canada

DIVIDEND NOTICE

The Board of Directors has declared the following dividends:

COMMON STOCK

A dividend of 50 cents per share, payable October 1, 1960, to shareholders of record at the close of business, on September 16, 1960.

4½% PREFERRED STOCK

A regular quarterly dividend of 22½ cents per share, payable November 1, 1960, to shareholders of record at the close of business, on October 18, 1960.

By Order of the Board,
P. E. GAGNON,
Secretary.

RIMOUSKI, P.Q.,
September 15, 1960.

THE SHERWIN-WILLIAMS COMPANY of Canada, Limited

Notice is hereby given that the one hundred and ninety-seventh quarterly dividend of one and three-quarters per cent. (1¾%), being at the rate of seven per cent. (7%) per annum, for the quarter ending August 31, 1960, on the Preferred Stock of the Company, has been declared payable October 1st, 1960, to shareholders of record September 9th, 1960.

By Order of the Board.
P. W. HOLLINGWORTH,
Vice-President and Secretary-Treasurer.
Montreal, Quebec.
September 1st, 1960.

ST. LAWRENCE CORPORATION LIMITED & DIVIDEND NOTICE

Notice is hereby given that the following regular quarterly dividends have been declared, payable in lawful money of Canada, October 25th, 1960, to the shareholders of record at the close of business on September 23rd, 1960:

PREFERRED SHARES

A dividend of One dollar and twenty-five cents ($1.25) per share on the outstanding 5% Cumulative Redeemable Preferred shares, Series "A" of the Capital stock of St. Lawrence Corporation Limited.

COMMON SHARES

A dividend of Twenty-five cents (25¢) per share on the outstanding Common shares of the Capital stock of St. Lawrence Corporation Limited.

By order of the Board of Directors.
J. E. MARTIN,
Secretary.

MONTREAL, QUE.
September 12th, 1960.

DIVIDEND NOTICES

Agnew-Surpass
SHOE STORES LIMITED

DIVIDEND NOTICE

Common Shares
86th Consecutive Dividend

A quarterly dividend of eighteen cents (18c) per share has been declared on all issued common shares of the Company payable December 1 next to all common shareholders of record at the close of business on October 31, 1960.

By order of the board
J. C. WHITE,
Secretary-Treasurer.

Brantford, Ontario.
September 14, 1960.

Silverwood Dairies, Limited

Class "A" Dividend No. 57

Notice is hereby given that the regular quarterly dividend of Fifteen cents (15c) per share has been declared on the outstanding Class "A" shares of the Company, payable January 2, 1961, to shareholders of record as at the close of business on November 30, 1960.

Class "B" Dividend No. 53

Notice is also given that the regular quarterly dividend of Fifteen cents (15c) per share has been declared on the outstanding Class "B" shares of the Company, payable January 2, 1961, to shareholders of record as at the close of business on November 30, 1960

By Order of the Board.
L. R. GRAY,
Secretary.

London, Ontario,
September 15, 1960.

FOUNDATION COMPANIES CANADA
Engineering - Construction

DIVIDEND NOTICE

Notice is hereby given that a Dividend of twelve and one-half cents ($0.12½) per share has been declared on the No Par Value Common Shares of The Foundation Company of Canada Limited, payable October 14, 1960, to Shareholders of record at the close of business on September 23, 1960.

By Order of the Board,
E. T. GREASON,
Secretary

Montreal, Quebec,
September 15, 1960.

Brooke Bond Canada (1959) Limited
RED ROSE BLUE RIBBON
Tea • Coffee • Spices

Notice is hereby given that the quarterly dividend (26 cents per share) on the 4.16% Cumulative Redeemable Sinking Fund Preferred Shares (par value $25.00 per share) of the Company has been declared payable October 15, 1960, to shareholders of record at the close of business September 15, 1960.

By Order of the Board.
L. G. KEITH,
Secretary-Treasurer.

Montreal, P.Q.,
15th September, 1960.

SUPERTEST
Petroleum Corporation, Limited

NOTICE OF DIVIDEND

NOTICE is hereby given that a quarterly dividend of $1.25 per share upon the outstanding 5% cumulative redeemable sinking fund preference shares of the par value of $100 each in the capital stock of the Company has been declared payable on October 15th, 1960, to shareholders of record at the close of business September 20th, 1960, such dividend being at the rate of 5% per annum for the period from July 15th, 1960, to October 15th, 1960.

By Order of the Board.
R. W. MITCHELL,
Secretary.

London, Ontario.
September 9th, 1960.

Fawcett

ENAMEL & HEATING PRODUCTS LIMITED

DIVIDEND NOTICE

On September 15, 1960, the Directors of Enamel & Heating Products Limited, Sackville, New Brunswick, declared a Quarterly Dividend of 12½c per share on the Class "A" Capital Stock of the Company, payable October 31, 1960, to Shareholders as of record September 30, 1960.

A. R. FRENCH,
Secretary.

THE STERLING TRUSTS CORPORATION

DIVIDEND NOTICE

NOTICE is hereby given that a dividend of fifty cents (50c) or 2½% for the current quarter ending September 30, 1960, has been declared on the paid-up capital stock of the Corporation, and will be payable on October 3, 1960, to shareholders of record at the close of business on September 15, 1960.

By Order of the Board.
N. F. PETERSEN,
Secretary.

QUÉBEC - TÉLÉPHONE
DIVIDEND NOTICE

The following dividends have been declared, payable October 1, 1960, to shareholders of record at the close of business, on September 16, 1960.

5% Preferred Stock

A regular quarterly dividend of 25 cents per share.

5½% Preferred Stock

A regular quarterly dividend of 27½ cents per share.

Class "A" Stock

A semi-annual dividend of 37 cents per share.

Common Stock

A dividend of 50 cents per share.

By Order of the Board,
P. E. GAGNON,
Secretary.

RIMOUSKI, P.Q.
September 16, 1960.

DIVIDEND NOTICE

ZELLER'S LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that the following dividends have been declared on the outstanding capital stock of the Company for the quarter ending October 31, 1960, payable November 1, 1960, to Shareholders of Record October 1, 1960.

4¼% PREFERRED SHARES

The regular quarterly dividend of fifty-six and one-quarter cents (56¼c) per share on the 4½% Cumulative Preferred Shares.

COMMON SHARES

Thirty-five cents (35c) per share on the Common No Par Value Shares.

By Order of the Board.
EDMUND G. COLLARD,
Secretary.

MONTREAL, P.Q.
September 15, 1960.

NOTICE

COAST COPPER COMPANY, LIMITED

NOTICE
to unregistered shareholders:

An offering of rights to subscribe for Class "B" Common shares of the capital stock of the Company is being made to shareholders of record at the close of business on the 21st day of October, 1960. Since bearer share purchase warrants will only be mailed to those persons whose names appear as shareholders on the books of the Company at that date, all unregistered shareholders are urged to take immediate steps to register their shares.

By Order of the Board
R. THOMPSON,
Secretary

Market Bid and Ask Quotations

Montreal & Toronto
Sept. 20, 1960

Stock	Bid	Ask
xAbacus	18	20
Abitibi	37½	38
Do p	23½	24
Ac-Atl	11	11½
Do A	19½	20
Do p	92½	96
xAc Ur	6	7½
xAcme	13	14
Admi	12½	12¾
xAdvoc	375	380
Ag-S	19	..
xAgnico	58	60
xAkaitc	35½	37
xAlbc	4	5
xAlta D	195	200
xDo vt	160	165
xDo w	75	79
Alt Gas	21½	21¾
Do p	105	106
xDo w	630	638
xAP Con	36	38
Alg C	16¾	17
Do p	54	54
xDo w	425	450
Algma	31¾	32
Algon	8¼	8½
Do p	17½	19½
xDo w	225	..
xAll R	18	20
xAlmin	152	164
Alumi	28½	29¼
Do 1 p	22	23
Do 2 p	46	46½
xA-Lar	17½	19
xA Rare	7½	9½
xAm L	6	6½
xA Nep	42	43
xAnac	34	36
Analog	450	475
xDo w	155	250
xAnch	7	8
Ang Am	590	625
Ang-Can Tel	50½	52
A Pip p	51½	52
xAng Hu	735	770
xAng R	16	18
xAnsl	8½	9
Anthes A	28½	30
Do B	..	33
Do B p	88	94½
xArc w	4	6
xArea	80	85
Argus	30½	32½
Do 250 p	480	481
xArjon	7	8
xAsama	40½	47
Ash	8½	8¾
Do A	90	98
Do B	9½	9¾
Ash A	9½	12
Do B	12	12½
xA Arc	38	39
Atl A	14½	16
Do 1 p	19½	19½
xAtl CC	165	167
Atlas	20½	21
xAt Yk	6	7
xAt-Ruf	6¼	7¼
xAumac	7	8
xAumaq	6¼	7
xAunor	265	273
Aut El N	7¼	7¾
Aut F A	6¼	7
Do B	260	300
xBlg SA	530	550
Do p	17	17½
Do 5½	19½	19½
xBanff	85	93
xBnkno	29	30
xBnkfld	10	11½
Bk Mtl	55	55½
Bk NS	60	60½
Ba Cdiene	52	53
Ba Prov	37½	38½
Barb-E	80	..
xBarnat	155	158
xBary E	38	40
xBase M	10⁵	10½
xBaska	6¼	7
xBata	3½	3
Ba In	..	350
Bath A	43	43½
Do B	29½	31
xB-Duq	11	13
Beatty	6¼	7¼
xBeav L	5	6
B Lum	21	21
Do A	18	..
Do p	26	27
xBelch	46	58
Bell	46½	46½
xBeliet	16	29
xBthim	60	68
xBevcn	10	11
xBibis	7½	8
xBicrft	43	49
xBidcop	24½	25
Bilt	6	6¼
Do p	12½	13
xBl Bay	5¼	7
xBordul	4	5
xBouzn	37½	38
Bow p	46	47½
Do 5½ p	50	51
Bow-Mer p	47½	48
Bowat	8	8¼
Bowes	30	35
xBoymr	4¼	5
xBrirn	540	535
xBralsa	35	40
xBrazil	395	405
Do p	74	..
Br T n	5¼	6¼
Do p	47	47
Bruns	38½	42
Do p	92	95
xBritalt	210	214
BA Oil	27½	27¾
BCE 4 p	71½	72
Do 4¼ p	41½	42½
Do 4½ p	44¼	45
Do 4.2 p	89	90½
Do 5 p	47	48
Do 5½ p	51½	52
BC For	104	11
BC P A	14	15
Do B	14	15
BC Pow	33¾	33¾
BC Phone	45½	46½
Brck C	9¾	9¾
Brooke p	18¼	..
xBr Reef	32	34
Brown	13½	13¾
Bruck A	7¼	12½
xDo B	223	230
xBrnsk	300	315
xBufad	6½	7
xBuf A	128	135
xBuf RL	5	6
Bld Prd	30	31
Bull A	5½	6
xDo B	5	5½
xBunk H	7½	9
Burlton	13½	16
Burns	13¼	13½
Burr A	6¼	6¼
xCable	12	14
xCdmet	11	12
xCalalta	27	30
Cal-Ed	14½	15¼
Cal Pow	21½	22
Do 5 p	100½	..
xCalv-C	315	400
xCalvert	38	42
xC Chib	585	590
xDo w	240	249
C R L	13¼	13¾
xC Brd	355	385
Do B	50	54
C Cem	..	25¼
Do p	26½	27½
C Cel	32	32½
C Chem	6¼	6¾
xC Chief	85	87
C Coll	6¼	7
xDo p	75	77
C Cvertrs	350	400
Do B	450	..
xC Curt	120	125
xC Dev	350	355
C Drn S	14	15
Do p	10½	11¾
C Drdg	11¾	12
xC Dyno	49	52
xC E Gas	176	178
C Fbks A	10	10½
Do B	6¼	6¾
xCF Pr	360	400
Do A	11¾	13¾
Do p	73	75
CGE	730	1030
CG S A	13¼	13¾
Do B	20	21
xC High	22	26
xC Home	70	71
xC Hsky	555	565
xDo w	235	245
C Hyd C	6¼	8¼
C I Ma	6¼	7¼
Do A	10	11¾
xC I Gas	390	405
CIL	15	15½
xCoin L	14	16
Coll	14¼	14½
Do p	13	17½
xCol Cel	385	395
Com E	8¼	9¼
xC Met	22	25
xCmoil	125	..
xCom P	222	235
Conduit	11¼	12¼
Conf L	136	136
Do p	163	..
xConsla	53	57
xCniaur	64	67
xCKey	18½	22
Consolidated		
C Bak	7½	8
xC Bell	4	5
xC B G	5¼	6
xC Call	7½	8¼
xC C	34	4
xC Disc	310	320
xC Dra	18½	19
xC E Cr	33	40
xC Fen	17	20
C Fire	5¼	7
xC Gill	5¼	6
xC Gr Ar	26	30
xC Hall	51	52
xC Mrbn	53	55
xC Mrcs	80	89
xC M M	161	170
C M S	18½	18¾
xC Nogul	86	90
xC Morr	12½	14
xC Mos	175	180
i Ace	40½	40¾
Do 450 p	93	93½
Do 225 p	46	47½
Do 275 p	53¼	54½
Do w	15	15½
Inger A	5	5½
xInglis	425	450
Ingr B	8	..
Do p	12	..
Ini C p	16½	17½
xIn G	425	450
In Gp	15½	16
xIn G w	100	120
xInspir	28½	30
Int Bro	13	14
Do p	22	22½
xI Moly	6¼	7¼
I Nickel n	47½	48¼
I Util	33½	34¼
Do p	40½	40¾
Intprov	5½	6
xDo 59w	40	60
Int Pt	56½	57
xIP Stl	6¼	7¼
xPipe	315	325
Inv Syn	36	37
Do A	29½	29¾
xIrish	85	87
xIrn B	161	175
Iroq G p	12¼	12½
xIso	33	34
xJ Wal	27	28
xJacobus	108	110
Jam Pub	27	27½
Jam P.S.	104	..
xJaye	11	14
Jefr	490	525
xJellico	9	9½
xJburk	10	11
xJock C	215	220
Do p	9½	9¾
Do B p	8	8½
xDo w	26	29
Jons-M	50½	51½
xJoliet	23	24½
xJonsm	10½	11
xJows	28	28¼
xJump P	16	20
xJupit	192	195
Kel D A	6	6¼
xDo w	265	280
Kelvin	6¼	6¾
xKenvil	4¼	5
Ker Ad	12¼	12¾
Kerr	191	250
xDo w	4	6
xKirk M	21	25
xKirk T	7½	9
xKopan	35	36
Labatt	28	28½
Labdor	17½	18½
Lafge	6¼	6¾
Do A	7¼	7¾
Do w	..	..
xL Cin	61	63
xL Dufl	43¼	45
xLakind	215	225
xL Ling	7	7½
xI Osu	14	15
xL Shor	385	410
xL Was	19	20
xLa L	275	325
xLanig	325	330
xLamb L	27½	30
xLanda	125	200
xLangis	70	71
xLat Am	34	35
L Sec	14¼	15
Laur A	11¼	13½
L J A	19½	22
Do B	24	30
xLeitch	139	145
xLenc	5	7
Levy p	21	22
Lewis Bro	10½	11½
xLexndn	21	3
Lib	165	167
LobCo A	27¼	27½
xDo w	730	750
Do B	28½	29
Do p	45	47
LobG 1 p	30½	31
Do 2 p	30	..
Do B p	30½	30½
LobGrb	142	..
xLocana	90	93
Loeb	8¼	8¾
xL Hos	160	..
xDo A	350	495
xLIP	8	8½
xL Point	44	45
xLorado	42	44
xDo w	5	6
Louvi	5	6
Lr St Lawr	71½	72½
Lyon	244	264
Lyndh	91	101
xLynx	7	7½
xMacas	250	253
xMacdon	18	20
xMacfie	4	4½
Mack Stret	7½	..
Do p	94	..
xMacL	108	110
Mac L A	24½	24½
MB & PR	14½	14½
xMadsn	295	296
xMagnt	9½	10
Magnum	15	..
Maher	24	25½
Mailman	23	..
Do cu pf	28	..
xMajtrn	1¼	2
xMalart	71	73
xMan. U	4½	5
M Su p	98	..
xMan Bar	38	44
M L G	26½	28
M L M	15¼	15½
Do p	..	93
xMralgo	9	9½
xMarcn	8¼	8¾
xMargld	5	6
xMari	7¼	7¾
xMrtin	38	39
Mass-F	9	9½
Do p	91	97
Do 5½	99½	100
xMatat	6	7
xMatta	550	560
xMaxw	320	335
xMaybrn	7	8
xMayfr	70	95
McB p	12¼	14
McC	28½	32
McInt	26	26¼
xMKen	18½	21
xMMar	5	7
xMWat	22	30
xMedal	180	185
xMent	16¼	17
xMerrill	58	59
xMeta	7	7½
M LP	11¼	12
Do p	12½	13
xMidcon	32	34½
Mid P	13	18
xMidr	42	44½
xMidW	160	170
xMill C	18	19½
xMitt B	210	215
xMinda	5	6
Min Cp	11¼	11½
xMin. Or	5½	6
Mitchll Co	20	25
Mitchll Re	10¾	12
Mnt Cl B	14	..
M C A	12½	15
Mols A	22	22½
Do B	22	22½
Do p	40½	41
Moly	..	55½
M Kn	64	65½
Do p	..	73
M Inv	39	45
xMontea	58	60
M Loco	13¼	14
Mtl Tr	48	..
Moore	45¼	45¾
Do A	21½	..
Do B	31½	..
Morgan	28	29½
Do 4½% p	94	95
xMt Wrt	52	53
xMulti	29½	31
xMurr	58	59
xNama	11	12½
Nat Dr	15	15½
Do p	14	15½
xN Exp	6	6½
N Groc	20	24
Do p	27½	27½
xN Hos A	400	500
xDo B	425	450
N Lead	76½	77
xN Pet	175	182
N St C	121	124
Nat Tr	54	..
xNealon	4	5
xNello	10½	12
Neon	14½	15½
xNes L	13½	14
New		
xN Alg	4½	5
xN Ath	28	31
xN Bid	6¼	7
xN Cal	31	32
xN Conc	5	6
xN Cont	18½	21
xN Dev	10½	13
xN Del	10	13
xN Dick	280	285
xN Gvue	4½	6
xN Hazrt	8½	9½
xN Hos	47	48
xN Jas	6½	7½
xN Kel	9½	10
xNlund	13½	15
xN Man	24	25
xN Myla	71	72
xNnor	4½	6
xN Rou	5½	6
xN Sen	3	4
xN Taku	13½	14
Nia W	11	12
Do B	9½	11
xNick M	38	42
xN Rim	35	40
xNipis	78	80
xNisto	4	4½
xNor-Ac	12½	15
Noran	38½	38½
xNorbeau	40	44
xNogld	4	5
xNorlar	20	20½
xNrmet	260	270
xNorpax	8	9
xNorsyn	6	7
xNorcal	7	7
North		
xNCO	180	185
xDo w	40	43
Do p	22½	23
xN Cold	103	105
xN Gate	32	35
xN Gldt	19	21
xN Rk	53	58
xNsp A w	34	38
N St p	48	48
Northern		
xN Can	125	130
No NC	12½	12½
NQ P	25	..
Do 1 p	46½	47½
xNor Ph	410	420
xDo w	100	140
xNthld	11	14
Nthld U	16½	18
NW U p	79	79½
xNorval	8½	10
xN Beage	40	90
NS Light & Pwr	14½	15
xNudul	12	13
Oak W	13	13
xObask	5½	6
xOBrien	52	58
OC Cem	10½	10½
Off Sp	12½	13
xOka R	10	11
xOkalt	31	32
xOLear	23	24
xOB S	80	..
Do p	9½	..
O Loan	26½	27
O Stl	20	20½
Do p	..	140
xOpem	610	620
xOrchan	142	143
xOrena	6	8
Orenda	23	27
Oshawa A	7	7½
xOsisk	26½	28
Oviand	5½	6
Do p	8¼	8½
xPac P	990	10½
xDo w	545	600
Pge Ber	23½	23½
xPall	35	37
xPamoil	31	33
xPmour	67	73
xParam	6	7½
xPardee	17	20
xParker	340	350
Patno M	400	425
xDo w	20	27
xPato	235	255
xPymst	17½	20
xPce Exp	12	13
xPriess	11	12
Pbina	7	7½
Do p	44	45
Pmans	30½	30½
Do p	107½	108
PC JI	17	18
Do p	96	..
xPmo p	49	50
xPerron	13	13¼
xPeruv	126	140
xPetrol	31	35
xPhil	46	48
Ph Eng	14½	15
xPck Cr	66	70
xPit-Or	4	4½
xPlace	43	43½
Placer	12½	13
xPolder	46	47
xP Rou	33½	36
Pow Cp	47	48¼
xPrairie	180	185
Prem T	151½	165
xP Iron	245	250
xPres El	42	42
xPrest	470	485
Price Bro	91	99
xPros A	62	69
xProv G	195	199
Prov Trns	13½	14½
Do p	44	48
xPrdex	4	4½
xQ Ascot	8½	9
xQ Chib	17	19
xQ Cop	7½	8
xQ Lab	24	3½
xQ Lith	221	230
xQ Man	8½	11
xQ Met	70	74
Qn Gas	62	62
QNGun	50½	52
xDo w	175	185
Que Pwr	37½	38½
xQunst	12	12½
xQuem	800	805
xQuin	350	..
Do A	11	12½
xQnto	5	6¼
xRdior	48½	49
xRainy	14½	16
xRanger	96	104
Rap-Gri	15½	15½
xRayro	50	51
xRealm	20	21
xReef	4½	6
xReeve	175	190
Reichld	16	17½
Reitmn	15½	22
Do A	14½	15
xRenal	150	154
xRexsp	19	21
Reyn p	89	93½
xRio Alg	750	765
xRio R	6	6½
R St A	6	7
xDo B	..	100
xRix	18	21
Robtsn Jas	13½	13½
Robetsn	13½	14
Do A p	18½	19
Do 2 p	14½	15½
xRobin	150	500
xDo p	275	400
R Little	13	14
Do A	13½	16
xRoche	9½	10
xRckwn	18½	19½
xRky p	4½	5½
xRoe AV	5½	5½
Do p	81	82
Rol Pap A	35	36
Do B	34	..
Rolland	79	82
xRowan	7½	9
Roy Bk	67½	67½
Roy O A	10	10½
xRoyalit	600	610
Do p	18½	19½
Russell	9½	10½
Ryan	40	41
StL C	11½	12½
StL Cp	17½	17½
Do A p	97½	99
xSt Maur	71	75
Sal	9½	9½
xSDo w	450	475
xSan J	134	135
xSand R	6	7½
xSapph	40	44
Do deb	33	33½
xSarcee	68	70
xSatel	34	35
Scfe A	10½	10½
Scythe	11	13½
Do p	22	24
xSec F	350	360
xSelk A	425	450
Sev A	10	10½
Shawin	24½	24½
Do A	27½	..
Do A p	41½	42½
Do B p	40	47
xShp Cr	83	90
Sher-Wms	38½	45
Do p	122	129½
xShrt	285	289
Sicard	5½	6
Sicks	23	23½
xSigma	320	345
Sikrt	19½	25
Do p	35	..
xSil Mill	27	30
xSil-St	23	28
Silwd A	10½	11
Do B	11¼	..
Simon & Sns 5¢p	85	95
Simpsn	26½	26½
xSiscoe	100	102
xSKD	275	285
Slat	31	32
Do p	39	42
Sogemines	17	18½
Smvill p	51	51
Stham	21½	22½
Sou Can	37	..
xSth U	9	9½
xSpartan	45	57
xDo w	10	18
xSpoon	11	13
xStafrd	385	390
St Bds	45¼	45¼
St Pav	14½	15
St Rad	15	15½
Struct Stl	9	9½
xStand W	60	99
St B A	8½	9½
Do B	8¼	9½
xStnrck	21	29
xStnwl	30½	33
xStarr	4½	5
Stedmn	34	34½
Stl Can	63	63½
xSteeloy	4	4½
xSt R	750	755
Stbg p	99	..
Do

THE WEEK'S QUOTATIONS

Quotations here listed are the official exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Montreal and Toronto Winnipeg, Calgary and Vancouver

Bid and Ask quotes of Toronto and Montreal exchanges up to press time are published on page 43

Industrial Stocks

WEEK ENDING SEPTEMBER 16, 1960

Range 1960 High	Low	Div. Rate	Sep16 $	Yld %	Company	Sales	Last Sep. 9	Week end. Sep. 16 High	Low	Close or Latest
41¾	35	1.70		4.3	Abitibi	9712	40	40¼	39	39½
25	21½	1.12½		4.1	Do. 4½% pref.	1206	24	24	23½	23½
11	9¼	.60		5.5	Acadia Atlan.	800	10¾	11	10⅝	11
92	83	3.00		3.4	Do. 5% pref.	35	88½	92	92	92
26¼	17¾	1.20		6.0	Do. (A)	375	19½	20	19½	20
					Admiral	nil				17¾
21	17½	.70		3.6	Agnew Sup.	275	20	20	19½	19¾
					Alaska Y. Pipe	nil				4¼
.75	.70				Alaska Refin.	nil			A2.00	2.50
8½	6				Do. pref.	nil			A5	†4½
2.90	1.95				Albt. Dist.	4800	2.00	2.05	1.93	2.05
2.80	1.80				Do. V.T.	4410	1.70	1.70	1.55	1.65
1.20	.70				Do. S. Pur. W.	600	.71	.80	.75	.75
28½	16½				Albt. Gas Tr.	11699	22¾	23¾	22	22
107	100	6.25		5.9	Do. A pref.	715	106	106½	105¾	106½
7.15	3.30				Do. A Warr.	10833	6.65	6.70	6.25	6.45
19¾	16½	1.00		5.9	Algoma Cent.	694	17¼	17½	16¾	17
60	52½	2.00		3.6	Do., 6% pref.	155	55	54	53½	53½
6.10	3.50				Do. Warr.	3754	3.85	4.50	3.90	4.25
40½	30	1.20		3.4	Algoma Steel	11466	33½	34	32½	33⅝
8½	7	*.15			Algonquin	220	18½	8½	8½	8½
18½	15½	1.30		7.1	Do. pref.	nil		B17½	A19½	18¼
2.50	2.10				Do. S. P. War.	nil		B2.25		
33⅞	27½	*.60			Aluminium	23039	30½	30¾	29¾	30⅜
22	18½	1.00			Aluminium of Can.	410	21¾	21½	21	21½
46½	40	2.25		4.9	Do. 2nd pref.	1308	45⅝	46¼	45⅝	46
9.12½	3.75				Analogue	400	4.35	4.50	4.35	4.35
4.00	2.00				Do. Warr.	nil		B1.50	A2.50	2.00
7	6¼	*.20			Andian Nat.	nil		B6¾	A7	7
28	28	.50	*.25		Anglo Can. Oils. (Brandon)	nil		B27	A32	†27
47½	35	2.00		4.4	Ang. Cdn. Pulp	8063	37¼	47½	37½	45
52½	49	2.80		5.4	Do. pref.	300	50½	51½	50⅞	51½
43	37	2.25		5.4	Ang. C. T. 4½%	1235	42	42	42	42
52	47½	2.90		5.6	Do. 5% pref.	145	51½	52	51	51½
6	6	*.25	+.10		Ang. Nfld.	11295	6½	7¼		6¾
16	12	*.25			Angl-Scand. Inv.	nil				16
38	27½	*.72			Anthes Imp. A.	5	30	28	28	28
		*.014	+.s		Do. (B)	nil			A33	
92	83	5.50		6.0	Do. 5½% B pf.	25	90	92	92	92
35¼	26½	1.00		3.1	Argus	1500	32	32	31½	31⅞
49	43	2.50		5.2	Do. #2.50 Pref.	70	48¼	48½	48¼	48½
		1.00	+.s		Aro Equip.	nil				
26½	20⅜	1.20	+.2.20		Asbestos	3316	25¼	26	24⅜	25½
†12½	†10⅞	.60		6.0	Ashdown Hw. A	1250	12½	12	12	12
13¾	10½	.72		6.0	Do. (B)	1250	12½	12	12	12
9	7½	*.60			Ash Temple	135	8	8	8	8
192	190	8.00		6.3	Do. (A)	nil		B88½	A98	190
10	9	.65		6.8	Do. (B)	550	10	9½	9¼	9½
		4.00	+.2.00		Assoc. T&T. pf.	nil				
16	12				Atlan. Accept.	nil		B15½	A16¾	16
19½	19½	1.10		5.6	Do. 1st pref.	nil		B19	A19½	19½
28	19½	1.00	+.25		Atlas Steels	1427	21¾	21⅞	21¾	21¾
.70	.40				Atlas Tele.	10000	.50	.50	.48	.50
8	6¾	*1.15	+.15		Auto Electric N.	nil		B7¾	A8½	8
3.80	2.50				Auto Fabric A.	nil		B6½	A7	7
7¼	7	.40		5.7	Do. (B)	nil		B2.90	A3.00	3.00
					Avalon Tele.	250	7	7	7	7

B

65¾	47½	1.60	+.2.35		Bk. Cdn. Nat.	546	52¾	53¾	52	52½
58¼	47¾	1.80	+.2.25		Bk. Montreal	6137	56¼	56⅜	55	55¼
56¾	42	2.20	+.10		Bk. N. Scotia	6737	63¾	63	61¼	62
5.55	4.70				Bk. Rts.	18059	5.30	5.30	4.80	4.90
41	33½	1.20	+.2.25		Bk. Provinciale.	1300	38½	39	37⅞	38
		4.00	+*1.00		Barber-Ellis	nil		B80		
		3.50			Do. Pfd.	nil				
					Barcelona	nil		B4.30		*5.25
5	3				Bates & Innes A	100	5	†3¼	3	3
47	37	2.00		4.5	Bathurst Pr. A	901	42¾	44	43	44
33	23				Do. (B)	150	30½	31	31	31
8⅛	4¾	*.20	+.10		Beatty Bros.	4580	7¾	8⅛	7½	7¾
24½	20½	1.00	+* .25		Beaver Lumber	50	21	21	21	21
17⅛	16	1.00		5.8	Do. (A)	422	17	17⅛	17⅛	17⅛
27	25	1.40		5.2	Do. Pref.	190	†25	27	25	27
15	10¼	*.30	+.40		Belding Cort.	75	12	10½	10½	10½
12	12	.70		6.6	Do. Pref.	50	13	†10½	†10½	†10½
8½	8				Belgium Stores	nil		B7½		8
14⅜	13⅛	1.00		7.1	Do. Pref.	nil		B14		14
47¾	42½	2.20		4.7	Bell Telephone	29960	47¾	47¾	46¼	46½
6¾	6⅜	.40		6.3	Biltmore Hats	207	6⅞	6⅞	6⅝	6⅝
14	12½	1.00		7.7	Do. A Pref.	40	13½	13	13	13
54	53	2.40	+.2.40		Bird Constr.	nil		B50	A55	55
1.40	1.20				Blue Bonnets	200	5⅞	5½	5½	5½
50	45	2.75		5.6	Bowaters Mer. P.	320			A2.00	1.25
10¼	7¼	.42		5.0	Bowater Pap.	4035	49½	50	49	49
48¾	41	2.30		5.3	Bowater N.A. 5% pf.	490	47	48	47	47
52	45	2.75		5.4	Do. 5½% Pref.	585	50¾	52	47	47
32	26	1.00	+.3.50		Bowes Co.	nil		B30	A35	33
7¾	6¼	.60		9.6	Boyles A	nil				6¼
5.00	3.50				Do. (B)	nil				
5.50	3.50				Brazilian Tr.	18421	4.25	4.35		3.75
190	†77½	6.00		7.7	Do. Pref.	nil		B74		†77½
7¼	6	.40		6.2	Bridge & Tank	350	6	6½	6	6½
47¼	41	2.90		6.2	Do. Pref.	75	47	47	47	47
42¼	35½	1.00		2.4	Bright T. G.	25	41	41	41	41
21	21	1.35		4.6	Do. 5% Pfd.	nil		B20¼	A23	†25
53	49	2.00	+.1.80		Br. Am. Bk. Notes	50	51¼	51	50	50
35½	34½	1.00		3.6	Brit. Amer. Oil	21480	29¾	30	29¾	30
72	69	4.00		5.2	B.C. Elec. 4% Pf.	89	76	77¼	76½	77¼
47¾	37	2.25		5.0	Do. 4¼% Pref.	373	41¾	42½	42	42¾
92½	80	4.75		5.2	Do. 4½% Pref.	277	43½	45½	44½	45
50	42½	2.50		5.2	Do. 5% Pfd.	610	90¾	92	90	92
52¾	37	2.75		5.3	Do. 5½% Pfd.	1112	51	†53	51	52
14½	10¼	.50		4.5	B.C. Forest	2430	11⅜	11⅝	11	11⅜
15	14	.75		5.4	B.C. Packers A	12	14¼	14	14	14
15	14	1.00			Do. (B)	nil		B14	B15	14½
47	42	2.20		4.8	B.C. Pulp	15677	32	34½	32½	34½
1.50	.90				B.C. Turf	1806	46¼	46¾	46	46
11½	9¼				Brockville Ch. Pfd.	2315	.94	.93	.93	.93
18	17	1.04		5.3	Brooke Bond Pf.	100	10¼	10½	9½	9½
11	9⅞	*.30	+.s		Brown Co.	1732	†18¼	†19½	†19	†19½
11	7¾	1.00	+.s		Bruck S. Mills A	nil	13⅜	14⅜	13	14⅜
3.00	2.20				Do. (B)	nil		B8	A8¼	8
35	29¼	1.80		5.6	Build. Prod.	425	B2.25	A2.50	†2.15	
6	5	.50		10.0	Bulloch's A	nil	34½	34	32	32
5.00	4.90	.35		7.8	Do. (B)	nil		B5½	A6	5
18	14½	.60	+*.25		Burlington St'l.	40	16	16	16	16
13	12¼	.80		5.8	Burns & Co.	3533	13½	13⅝	13¼	13¼
6¾	5½	.45		7.3	Burrard D. D. A	100	6¼	6¼	6¼	6¼
9½	9	*.15			Burrard Mtg.	nil			A9¼	9
2½	2½				Do. Warr.	nil		B2	A2½	2½
2.40	2.10				Butterfly Hos.	nil		B2.30		2.25

C

24	16½	.40		1.8	Calgary Pwr.	10035	23¼	23½	21½	22
†101	93	5.00		5.0	Do. 5% Pref.	113	100½	101	100½	100½
Canada										
4.15	3.30	1.10		2.8	Canada Bread	150	4.00	3.60	3.35	3.35
52	49¾	2.50		4.8	Do. Pref. B	nil		B50	A55	52
25	22½	1.00		3.9	Canada Cement	2071	25¾	26¼	25½	25¾
27½	24½	1.30		5.0	Do. Pref.	681	26¼	26⅜	25¾	26
18¼	12½	1.20		1.3	Can. Cr. & C. Stone	500	13	13½	13	13½
18	13½	.40		2.2	Can. D. Sugar	3623	17¼	18	17¼	18
22	18½	1.60	+*.20		Can. Foils	nil			A12½	12¼
21	19	.60	+*a.52		Do. (A)	325	19½	19	19	19
19					Can. Forg.	nil		B20	19	20
22¼	11	.50		6.1	Do. (A)	1799		B7½	A11	19
23½	13¼	*1.25			Can. Iron	4130	16	17	16	16¼
83	75	4.25		5.6	Do. 4¼% Pref.	10	75	76	76	76
10	10	.50			Can. Machine	nil		B11½	A15	10
60	45½	2.00		3.5	Can. Malting	183	58	57¼	55½	57
24½	23½	1.17		4.8	Do. 4½% Pfd.	267	23½	24¼	24	24½
49	42¼	†11.75			Can. Packers A	1165	49	48¼	46	46
52	47	2.00		3.8	Can. Perm. Mtg.	340	48¾	49	47½	48
88	80¼	4.40		4.8	Can. Safeway Pf.	720	52½	52½	52	52½
45½	39¾	1.40		3.4	Can. Steamships	nil	B91	A91¾	†92½	
12½	10¾	.62½		5.1	Do. Pref.	168	12½	12¼	11¾	11¾
36	29¼	1.20	+.2.20		Can. Vinegars	232	12½	12¼	12½	12¼
7¾	7¼				Can. West Cord A	nil		B32½	A33	33
		4.00		4.0	Do. (B)	nil				7¼
9¼	6¼	.20		2.4	Can. W. Cable A	nil				
					Do. (B)	150	8¼	8¼	8¼	8¼
Canadian										
†160	†160	*2.00			Canadian Arena	510		B160		†160
22½	13				Cdn. Aviation	nil	21½	21¾	20½	20½
7	6	.25			Cdn. Bakeries	25	7	6	6	6
58¼	48¾	1.80	+*.25		Cdn. Bk. Com.	6220	56¼	56⅝	55	55½
40¾	31	1.60		4.1	Cdn. Breweries	17799	38½	39¼	38½	39
16	6¼				Cdn. Br. Al. A	665	10¼	10¼	10	10
7.05	2.60				Do. Warr. A	790	3.50	3.55	3.25	3.30
6.60	2.90				Do. Warr. B	415	3.30	3.50	3.20	3.25
22½	19¼	1.50		7.5	Cdn. Bronze	290	20	21	†19½	20
14	12	.75		5.6	Cdn. Canners A	1020	13¾	†85	†85	†85
		1.00	+.1.10		Cdn. Celanese	8979	13¾	13¾	13½	13½
32	28	1.75		5.5	Do. $1.75 Pref.	750	31½	32¼	30¾	32
19	16	1.00		5.4	Do. $1.00 Pref.	50	18½	18¾	18¾	18¾
7¾	3½				Cdn. Chem. Ltd.	1230	6¾	7	6¾	6¾
11½	7				Cdn. Collieries	5030	7¼	7½	7	7
.65	.70	.05		0.7	Do. Pref.	5350	.76	.77	.73	.75
4.00	3.50				Cdn. Convert. A.	40	3.75	3.50	†3.45	3.50
14¾	12				Do. (B)	5	14	14½	14½	14½
2.75	1.05				Cdn. Curtiss W.	1800	1.25	1.35	1.20	1.30
18	14	1.00		7.1	Cdn. Drawn Stl.	nil		B14	A15½	14
12¾	10½	.60	+*a.19		Do. Pref.	450	†10¼	11	11	11
16	13	*.50			Cdn. Dredge	850	13½	13½	†12½	†12¾
10¾	8¾	.70		6.8	Cdn. Fairb. A	515	10¼	10¼	10	10¼
9	7¾	.60		9.2	Do. (B)	325	7	6¾	6½	6½
4.75	3.10				Cdn. Food Prod.	705	3.50	4.00	3.50	4.00
13½	9				Do. (A)	200	13	13	12	13
80¼	45½				Do. 4½% Pref.	685	79	80	78	78½
†1000	†900	8.00	+*4.00		Cdn. Gen. Elec.	nil		B750	A1050	†900
33¼	27¾	1.20	+*.15		Cdn. G. Inv.	155	30½	31¼	30⅜	31¼
17	13	1.00	+.s		Cdn. G. Sec. A	20	15	15½	15½	15½
20½	16	1.00	+.s		Do. (B)	500	20½	20½	20½	20½
12½	8½	.20		2.3	Cdn. Hydrocarb.	930	8¾	8¾	8¾	8¾
6½	6¼	.10		1.7	Cdn. Ice Mach.	nil				6¼
11½	10½	.80		7.8	Do. (A)	nil		B6¾	A7¼	16
4.55	3.80				Cdn. Ind. Gas	1470	4.05	4.05	3.85	3.85
17¼	12½	.50		3.1	Cdn. Indust.	3020	16	16	15½	16
77	69½	3.75		4.9	Do. Pref.	nil		B70	A84½	76
40½	37¼	1.00	+*.25		Cdn. Ingersoll R.	50	40	40	40	40
21	16¾	*.90			Cdn. Int. I. Tr.	nil		B15	A19½	17
7.85	7¾	3.00		6.5	Do. Pref.	20	†80	77½	77½	77½
16	10½				Cdn. Int. Pwr.	525	11	11	10¼	10¼
1.60	.58				Cdn. Kodak	710	43	43	42	42
9	6				Cdn. Locomo.	6461	1.15	1.10	1.00	1.05
7.00	4.40				Cdn. Marconi	25	7½	8	8	8
24½	19	.80		3.6	Cdn. Oil	1300	5.75	6.12½	6.00	6.00
60	26	1.00		3.0	Do. 4% Pref.	2736	22½	22½	20½	21
100	90	5.00		5.7	Do. 5% Pref.	10	75	76	76	76
144	138¼	8.00		5.5	Do. 6% Pref.	20	99	99	99	99
26½	22¼	1.50		6.7	Cdn. Pacific	5	†145	†145	†145	†145
13½	8				Cdn. Petrofina Pf.	23736	22¾	23	22¼	22¼
5	3.75	.20		4.0	Cdn. Pr. & Pa. Sec.	3448	8	8	8	8½
2.95	1.90				Cdn. Propane	50	5	5½	5	5
39½	32	*.20			Cdn. Salt	500	2.70	2.85	2.60	2.85
2.25	.35				Cdn. Silk A	nil		B32	A35	32
39	32				Cdn. Tire new	45	25	25	25	25
35	34				Do. (A)	630	†35½	37	35	35½
77½	70	4.25		5.5	Cdn. Util. 4½% Pf.	690	34	34½	34	34
91½	83	5.00		5.5	Do. 5% Pf.	nil		B70		77½
17½	12¾	.60		4.6	Cdn. Vickers	25	87	91½	91½	91½
37½	27	*1.50	+.s		Cdn. Wallpaper A	350	13	13¼	13	13¼
43	28	*1.50			Do. (B)	110	34¾	36		36
17.50	14.75	.70		4.1	Cdn. West. Gas	1805	36¾	37½	37	37½
16½	13½	.80		5.2	Do. 4% Pf.	765	16.75	17.50	17.00	17.00
21	18¼	1.10		5.4	Do. 5½% Pf.	100	15¾	15½	15½	15½
43¼	35½	1.00		2.8	Cdn. Westinghouse	520	36	37	35½	36

Range 1960 High	Low	Div. Rate	Sep16 $	Yld %	Company	Sales	Last Sep. 9	Week end. Sep. 16 High	Low	Close or Latest
1.20	1.00				Canarama	nil		B1.00		1.20
					Do. Pref.	nil		B2.00		2.50
					Do. Warr.	nil				.50
1.40	1.35				Cantexas A	nil		B1.25	A1.40	1.35
10½	9	*.32			Capital Estates	nil		B9¾		9¾
1.00	.85				Carling Br. Alta.	nil			A.90	.90
1.00	1.00				Do. V.T.	nil				1.00
12¾	12	.50	+*a.30		J. B. Carter A	nil		B12½		12½
50	47¼	*2.00			Do. (B)	nil		B45		47¼
40¼	38	.50	+*.75		Catelli Food A	65	39½	40⅛	40	40⅛
63½	60½	2.00		3.2	Chart Trust	5	63	63	63	63
24	22¾	1.00		4.5	Chateau-Gai	nil		B22¼	A23	22¾
58	41	*1.00			Chrysler Corp.	100	44	42¾	42¾	42¾
3.00	3.00	*.s			Cinzano A	nil		B1.30		3.00
1.65	1.65	5½	%		Do. 5½% Pref.	nil				1.65
7	4¼				Circle Bar Knit	nil		B6¾		7
7	3½				Do. (A)	nil		B6¾		7
20	19	.s			Cochrane-Dun	nil		B18¼	A15½	19
†16	†15	.80		5.0	Do. (A)	nil		B15	A16	†16
13					Cockshutt Farms	702	14	14¼	†11½	14
3.00	2.75				B. J. Coghlin	125	3.00	2.75	2.75	2.75
	2.25				Cold Lake Pipe	15000	3.10	3.20	2.75	3.00
†14¼	†13½	*1.00			Coll. Terminal	nil		B14½	A14¼	†14¼
15	13½	*1.00			Do. Pref.	nil		B13	A17¼	15
4.90	3.75				Columbia Cell.	1685	3.90	4.60	3.85	3.90
11	7¾	.60		6.7	Comb. Enter	2990		8¼	9	8¾	9
13¾	11½	.80	+.20		Conduits Nat.	225	12	12½	11½	12
137	134½	2.00			Conf. Life	nil		B136	A155	134½
185½	156				Do. Offered	nil		B163		165½
9	7¾	.50		6.5	Cons. Bakeries	nil		B7⅞	A8½	7¾
95	.75				Cons. Div. Sec. A	nil		B.65	A1.10	1.60
30	26	2.00		7.7	Do. Pref.	nil		B26	A30	26
		*.25			Cons. Fire Ins.	nil		B5.12½	A7.00	5.50
20¾	17	.80	+*.10		C. Min & Smelt	19070	19¾	19¾	19	19¾
44½	36½	1.60	+*.40		Cons. Paper	7033	40½	40¾	39¼	39½
3.00	2.00				Cons. Textiles	205	2.70	2.75	2.50	2.50
20	20	1.00		7.7	Do. Pref.	nil		B11¼		†13
16	14½	†1.40			Consumers Gas	35832	15¼	15¼	14½	14¼
106	99	5.50		5.2	Do. A 5½% Pf.	25	106	105	105	105
106	99	5.50		5.2	Do. B 5½% Pf.	265	106	105½	104½	105
29	22½	1.50		5.7	Consumers Glass	1070	23¾	27	23¾	26½
42	36½	*1.80			Cont. Can.	nil				37½
7⅜	5	.40	+.10		Copp Clark	615	5¾	6½	5¾	6½
18¾	16¾	1.10		6.6	Corbys Vot.	1720	16¾	16¾	16½	16¾
18	15½	1.10		6.9	Do. B N. Vot.	1275	15¾	16	15½	16
10¾	8¾	.50		4.9	Coronation Mtge.	nil		B10	A10½	10¼
12¾	10¾	.70	+*.10		Cosmos Imp.	490	11½	11½	11½	11½
2.00	1.80	.08		4.4	Craig Bit.	nil		B1.80	A1.95	1.80
22½	16½	.40	+.1s		Crain, R. L.	1320	17	17	16½	17
13¾	8¾				Creative Tele.	18410	11¼	11⅞	10½	10¾
5.00	4.50				Credit Accept.	nil				4.65
†10	100	*2.50			Credit Foncier	nil		B101	A106	108
1.50	.75				Crestbrook Tim.	nil		B.50	A.70	.75
16½	16				Do. Pref.	nil		B10	A13¾	†11
.07	.06				Do. Warr.	nil			A.12	.07
29	25	1.00		3.6	Crown Cork	195	34	35	34	34
12	9	.50		5.3	Crown Trust	25	35½	37	37	37
60	53	*1.00			Crown Zeller	nil	26	27½	27½	27½
10	8½	.50		5.4	Cr. Zell (Can.) A	197		B44	A45¾	46
55	53	*.65	+.25		Crow's N. Coal	nil	20	20	18	20
6¾	5	.60		10.0	Crush Int.	600		B18	A20	18¼
1.00	1.00				Do. 6½% Pf. A	50	101¾	103½	102	103½

D

87	83	7.00		8.1	Dalex Co. Pref.	nil		B85	A89	86¼
1.75	.50				Dalfen's Ltd.	nil		B.65	A.70	.80
45	43	3.00		6.7	David & Fre. A	nil		B44	A48	45
200	200	$5.00			De Havilland A	nil		B180	A240	200
31½	27¾	1.20	+.1.50		Distill-Seagram	9200	30¼	30¼	28⅞	29
525	525	*10.00	+.8.00		Dom. Ang. Inv.	nil		B550		525
92	90	5.00		5.4	Do. Pref.	nil		B87	A92½	92
21	15	.80	+.20		Dom. Bridge	2450	16¼	16½	16	16¼
4.25	2.25				Dom. Coal Pref.	nil		B3.00	A3.50	2.95
17½	13	1.00		6.7	Dom. Corset	100	†15	15	15	15
13¾	9⅜	.40		3.3	Dom. Dairies	2943	12	12¼	11¾	12⅛
26	26	1.75		6.9	Do. Pref.	10	†24¾	†25½	†25½	†25½
9½	5¾	*.10			Dom. Electro	800	6	6¼	6	6
5.45	2.50				Dom. Warr.	75	3.00	2.85	2.85	2.85
19	14¼	1.00		6.3	Dom. Engineer	25	15¼	16	16	16
†12	19	.60		6.0	Dom. Fabrics	nil		B10½	A12	†10
21	20	1.50		7.1	Do. 2nd Pref.	nil		B21	A22½	21
52	38½	1.40		3.3	Dom. Fdry.	3719	43	43	42	42½
99	97	4.50		4.5	Do. 4½% Pref.	30	99	99	99	99
90	66	2.20	+.1.60		Dom. Glass	118	72	72½	72	72½
15	12¾	.70		4.7	Do. Pref.	610	13¾	15	14⅞	14⅞
310	285	8.00		2.8	Dom. Insur.	nil		B291		285
8	6¾				Dom. Magnes.	2300	7	7	7	7
40½	28½	*1.40	+.2.20		Dom. Oilcloth	1166	29	29¼	29	29¼
33	25	.80	+.20		Dom

Mining Stocks

WEEK ENDED SEPT. 16, 1960

Range 1960 High	Low	Company $ Dividend ($)	Sales	Last Sept. 9	Week Ending Sept. 16 High	Low	Close or latest
.40	.18	Abacus	102243	.20	.23	.19	.21
.11½	.06	Acadia Ur. ..	29000	.07	.07½	.06	.06
.06½	.03	Ad Astra ...	1000	.05	.03	.03	.03
3.90	2.60	Advocate	49330	3.60	3.90	3.55	3.90
.15	.11	Agassiz	nil	...	B.10	.....	.12
.78	.58	Agnico *06 .	12725	.62	.64	.58	.60
.44	.34	Akaitcho	6500	.37	.41	.35½	.35½
.07½	.03½	Alb.	1000	.04	.04	.04	.04
.20	.07	Alscope	12500	.08	.08½	.07	.07
.26	.16½	Amal Lard.	3000	.19	.20	.20	.20
.11	.06½	Amal. R.M. .	2152	.07	.09	.08	.09
.04	.02	Amer'm	3000	.02	.02½	.02½	.02½
.65	.36	Am. Neph. 1.04	3400	.45	.42	.42	.42
.20	.15	Anacon	2731	.38	.38	.35	.35
13.12½	8.50	Anglo-Hur. .50	510	7.70	7.70	7.55	7.70
.27	.14	Anglo-Rou. ..	nil	...	B.16½	A.18	.15
.35	.07½	Antsil	63271	.09	.11½	.09	.09
.08½	.04	Anthonian ..	nil	...	B.04	A.05½	.04
.07	.05	Arcadia warr	8400	.06	.06	.04	.06
1.02	.65	Arer	8850	.84	.87	.83	.87
.16	.06	Arjon	7500	.07	.07	.07	.07
.08	.04	Arno	2500	.04½	.04½	.04	.04
.60	.25	Assoc. A'c'dia	118465	.44	.43	.30	.37
1.10	1.06	At. Coast Cop.	23842	1.73	1.73	1.70	1.72
.12	.04	Atlas Sulp. ..	2000	.04	.04½	.04½	.04½
.08½	.05	Atlas Y'fe ..	nil	...	B.07	A.08	.07
.13½	.06	Atlin-Ruff. ..	nil	...	B.06½	A.09	.06
.33	.21	Augustus	8950	.21	.22	.15	.22
.11	.05	Aumacho	25000	.06	.07	.06	.06½
.19	.08	Aumaque	35100	.07½	.07	.06½	.06½
2.95	2.21	Aun. .16 ..	1300	2.65	2.75	2.63	2.75

B

.20	.09	Baker Talc ..	1000	.12	.12	.12	.12
.05	.03	Band Ore	1000	.04	.04	.04	.04
.44	.19	Bankeno	29500	.36	.40	.38½	.39
.11½	.07½	Bankfield	45260	.10	.11½	.10	.10
1.63	1.30	Barnat	19950	1.59	1.62	1.50	1.53
.65	.04	Barvallee	nil	...	B.04	A.04½	.04
.55	.38	Barymin 1.03.	3800	.39	.39	.38½	.38½
.17	.10	Base Metals ..	13600	.10½	.11	.10	.10½
.12½	.06	Baska	4100	.07½	.07½	.07	.07
.43	.08½	Bateman	7500	.09	.09½	.09	.09½
.05	.03	Beatrice	nil	...	B.03	A.03½	.03½
.24	.10	B'tie-Dom. ..	3101	.12	.12½	.12	.12
.45	.40	Beauce Placer	500	.40	.40	.40	.40
.18	.04½	Beaver L'ge ..	9200	.05	.05½	.05	.05½
.73	.44	Belcher	5955	.55	.58	.56	.56
.55	.18	Belechasse ..	14500	.30	.30	.24	.26
.08½	.03	Belle-Chib. ..	nil	...	B.04	A.04½	.04
.40	.16	Belleterre ..	nil	...	B.16	A.29	.16
.92	.57	Bethie'm	15400	.74	.75	.65	.65
.19	.10	Beycon	2000	.10½	.10½	.10	.10½
.15½	.06	Bibis-Yuk. ..	7500	.06½	.07½	.07½	.07½
.67	.43	Bicroft	5206	.45½	.46½	.46	.46½
.31	.07	Bidcop	705800	.27	.31	.28	.27
.27½	.05	Black Bay ..	6300	.07	.07	.06	.06
.07	.03	Bordulac	4000	.04	.05	.04	.04
.68	.03	Bornite	19000	.04½	.03½	.03	.03
.65	.32	**Bouzan**	15400	.40	.40	.38	.38
.68	.04	**Bayme**	22466	.04½	.05	.04½	.04½
5.85	4.58	**Braiorne-P. .40**	9161	5.60	5.85	5.60	5.75
.52	.30	Broulan	7800	.35	.36	.35	.35
3.40	2.80	Brunswick ..	1150	3.20	3.25	3.00	3.00
.12½	.05½	Buffadison ..	11500	.07½	.07	.06½	.06½
2.26	1.32	Buffalo Ank..	3500	1.60	1.55	1.32	1.32
.08	.03½	Buff. R.L. ..	7400	.06	.06	.05½	.06
5.00	3.90	Bulora .25 ..	2720	4.95	5.00	.....	5.00
.12½	.05	Bunker Hill .	9000	.11	.11	.09	.90½
.24	.11	Burnt Hill ..	3000	.16	.15	.15	.15
.10	.06½	Bürrex	nil	...	B.07	A.14	.10

C

.20	.08	Cable	5616	.11	.14	.12	.13½
.16	.09	Cadamet	6252	.11	.13	.12	.12
.05	.03	Calumet	3500	†.02	.04	.03½	.03½
7.20	4.30	Camp Chib. .	18209	6.60	6.35	6.05	6.05
3.45	2.25	Do warr. ..	10600	2.90	2.87	2.35	2.35
		Campbell R.L.					
14.50	9.75	.35 + *.05 ..	250	12.75	14.00	13.37½	13.37½
		Canada					
2.20	1.35	Can. Tung. .	29500	1.90	1.88	1.55	1.72
		Canadian					
.08	.04	Cdn. Ast. ..	38333	.05	.06½	.05	.06½
.60	.25	Cdn. Dyno ..	11321	.48	.51	.48	.49
.68	.36	Cdn. Mail ..	9300	.40	.40	.36½	.36½
.27	.10½	Cdn. N. Inca	35000	.13	.13½	.12½	.13
.43	.19	Cdn. N'west.	3000	.20	.20	.19	.19
.06	.03½	Cdn. Thor .	4000	.04	.05	.04	.04½
.07	.03½	Canalask	6120	.03½	.03½	1.02½	.03½
.17½	.09	Canam	35316	.16½	.17½	.12	.17½
.16½	.10	Candore	3000	.12	.13	.12	.12
2.47	.68	Can-Erin	73211	.68	.73	.68	.68
.76	.25	Canorama ..	775	.29	.30	.25	.27
.05	.02	Canuba	1500	.02½	.03	.02½	.03
.06	.03½	Canuena	nil	...	B.03½	A.05	.03½
.09	.06	Captain	5000	.08½	.09	.09	.09
.11	.05	Carbec	2000	.07	.06	.06	.06
1.18	.73	Cariboo	13600	.87	.89	.85	.87
.23	.08	Cartier Q. ..	2300	.11	.11	.11	.11
		Cassiar Asb.					
13.75	10.87½	.40 + *.15 ..	5475	12.75	13.00	12.50	12.62½
.49	.20	Cayzor	1600	.22	.22	.22	.22
.05½	.03	Cen Man. ...	nil	...	B.04	A.05	.03
1.40	.88	Cen. Pat.	3400	1.02	1.02	.99	.99
.15	.08	Cen. Pore. ..	42350	.12	.13	.10	.11
2.20	1.87	Chemalloy ..	12780	2.39	2.30	2.37	2.37
.05½	.02	Cheskirk	4000	.04	.03	.03	.03
.09½	.03½	Chess	12000	.04	.04½	.03½	.04
.42	.22	Chesterville .	185124	.28½	.40	.28	.36
.19	.08	Chib. Cop. ..	67500	.13	.18	.13½	.18
.15	.09	Chib. K'rand.	17500	.12	.15	.12	.12
.80	.48	Chib. Min. ..	5800	.55	.58	.52	.52
.67	.40	Chimo	4100	.45	.48	.45	.45
.11	.04	Chipman	54000	.10	.10	.09	.09½
8.15	3.00	Chromium ..	200	4.90	4.75	4.70	4.70
.12½	.06	Cleveland ..	14500	.08	.09	.08	.08
3.80	2.72	Cochenour *.07	15525	3.55	3.75	3.50	3.60
.15½	.12	Coin Lake ..	14000	.15	.17	.15	.16
1.36	1.30	Coleman A .	nil	...	B.35	.....	1.33
.36	.22	Do. B	nil	...	B.35	.....	.33
.42	.20	Comb. Met. .	2000	.23	.23	.22	.22
.09	.03½	Cominga	nil	...	B.04½	A.05	.04
.62	.44	Comiagas	13642	.57	.57	.55	.56
.71	.43	Coniaurum ..	2560	.66	.66	.66	.66
.26	.12½	Con-Key	3452	.18	.20	.18½	.20
.08	.04	Cons. B'keno	38200	.04½	.05	.04	.04½
.10½	.05	C. Beta	1666	.06	.06	.05½	.05½
.12	.05½	C. Callinan .	24593	.09	.09	.08	.08
.06½	.02	C. C. Cad. ..	nil	...	B.03½	A.04	.03
3.85	2.95	C. Dis'y .24 .	10695	3.10	3.20	3.05	3.10
.32	.15	C. Fenimore .	2500	.19	.20	.20	.20
.07	.04	C. Gillies ..	1500	.05½	.06	.06	.06
.46	.26	C. Gold. Arr.	nil	...	B.26	A.29	.30
.72	.40	C. Halliwell .	203300	.44	.52	.44½	.51
.87	.26	C. Marbenor.	76000	.64	.69	.61	.61
1.03	.50	C. Marcus ...	61836	.87	1.05	.83	.91
1.24	.69	C. Mogul	4025	.87	.90	.85	.88
2.08	.05	C. Monpas ..	nil	...	B.06	.....	.05½
.26	.14	C. Morrison .	2500	.14	.16	.14	.16
1.87	.99	C. Mosher ..	28900	1.72	1.87	1.65	1.75
.22	.12	C. Negus	7500	.14	.14	.13½	.14
3.45	1.50	C. N. Pac. ..	200	2.10	2.60	2.60	2.60
.06	.03	C. Nich	3500	.06	.05½	.05	.05
.34	.23	C. Northland.	16200	.23	.31	.27	.29
.15	.07	C. PershCourt	nil	...	B.11½	A.15	.15
.22	.22	C. Que. G. ..	nil	...	B.23½	A.29	.25
.06½	.04	C. Que. Y. ..	125	.05	†.02	†.02	†.02
.10	.04	C. Red Pop. .	34500	.08	.08	.06	.07
.11	.05	C. Regcourt .	1000	.07	.06	.06	.06
.09½	.04	C. San'rm ..	15500	.07½	.08	.06	.06½
		C. Smelt.					
20.37½	17.00	.80 + *.10 ..	19070	19.37½	19.75	19.00	19.37½
.20	.10	C. Stand. M. .	668	.10	.10	.10	.10
1.10	.63	C. Vauze	3500	1.00	†.10	.91	.91
.47	.19	Cont. Con. M.	820	.24	.25	.21	.21
.45	.20	Cont. Potash.	160	.20	.25	.25	.25
4.30	3.00	Conwest *.12	336	3.40	3.50	3.45	3.45
.34	.15	Copper Corp.	4000	.20	.19	.17½	.19
.14	.07	Copper Man..	38243	.11	.12	.10½	.12
1.80	1.08	Cop Rand ..	26031	1.17	1.20	1.15	1.15
.42	.23	Couiee	27350	.41	.42	.38	.38½
.14	.12	Courvan	500	.14	.14	.14	.14
.69	.20	Cow chen	26300	.24	.26½	.23	.26½
6.00	3.40	Craigmont ..	3350	5.50	5.75	5.50	5.50
.10	.07½	Crestaurum .	2000	.09	.08	.07½	.07½
.13	.05	Cronor	nil	...	B.06½	A.07	.06½
.13	.05	Crowpat	62375	.10½	.12	.09½	.11
.07½	.04½	Cusco	6000	.04½	.05	.04½	.04½

D, E, F

.20	.09	Daering	12062	.10½	.10	.10	.10
.33	.18½	D'Aragon	10500	.23½	.23	.21½	.22
.14	.06½	Decoursey B.	7100	.10	.11	.09½	.11
.29	.19	Deer Horn ..	4000	.21½	.23	.21½	.23
.14½	.06½	D'Eldona	6500	.08	.09	.08½	.09
.55	.27	Deinitest* ..	114755	.27	.33	.29	.29
10.25	8.55	Denison M. .	8677	9.05	9.20	9.00	9.10
.12	.08	Dickstone C..	nil	...	B.09	A.10	.12
.09½	.05	Dolsan	nil	...	B.05½	A.06	.06
21.87½	16.75	Dome .70 ...	8635	20.62½	21.87½	20.62½	21.37½
.11	.05	Donalda	29400	.07	.07½	.06½	.07
.23	.08	Duvan	11600	.12	.12	.10½	.10½
.10	.05	Duvex	13000	.06½	.06½	.06	.06
.10	.05	East Amph. .	10600	.06	.07½	.07	.07
1.78	1.33	East Mal. ...	1600	1.38	1.40	1.36	1.36
2.07	1.40	East Sull. ...	5367	1.84	1.84	1.72	1.75
1.34	.89	Elder	7700	1.18	1.18	1.13	1.16
.25	.10	Eldrich	6000	.12	.12	.11½	.11½
.09½	.04	El Sol	4800	.05	.06	.05½	.06
.33	.19	Eureka	6000	.21	.21½	.20	.20
.16	.09	Fab. Met. ...	5000	.09	.09	.09	.09
		Falconbridge					
35.25	27.50	1.20 + *.15 ..	7507	34.12½	34.50	33.37½	34.00
.05	.02	Fano	nil	...	B.02	A.03	.02
.94	.62	Faraday	11050	.91	.94	.86	.86
.13	.06	Farw't M. ...	7649	.09	.10½	.08½	.10½
.85	.35	Fatima	82140	.43	.48	.37	.40
.00½	.00½	Flin Flon	nil	...	B.00½	.....	.00½
.05	.03	Fontana '45 ..	nil	...	B.03	A.05	†.01
.55	.50	Forty-Four ..	300	.50	†.70	†.66	†.70
.09	.04	Francoeur ...	500	.05½	.05	.05	.05
.07	.03	Friday	nil	...	B.04	A.06	.05
2.10	.10	Frobisher ...	20275	.10½	.11½	.10½	.11
.10	.03	Fundy Bay ..	2000	.05	.04	.04	.04

G, H

.07	.04½	Gaitwin	nil	...	B.05½	A.07	.06½
23.00	17.50	Gaspe Cop. .	500	18.25	18.25	18.25	18.25
19.25	15.00	Geco *.25 .	1160	18.00	18.25	17.50	17.50
.21	.08	Genex	63400	.17	.20	.16	.17
1.10	.50	Geo-Scient. .	500	.65	.60	.60	.60
.35	.15½	Giant Mas. ..	167980	.29½	.35	.28	.35
		Giant Y'fe					
11.62½	8.65	.40 + *.05 ..	7600	10.62½	11.50	10.75	11.50
.37	.13	Glacier	3022	.16	.20	.17	.17
.08	.04	Glenn Ur. ...	2500	.05	.05	.05	.05
.19	.14½	Goldale	2500	.16	.16½	.16½	.16½
.01	.00½	Gold Lake ..	2000	.00½	.00½	.00½	.00½
.70	.30	Gold Age ...	7000	.49	.54	.45	.45
.40	.18	Goldfields ...	7500	.19½	.19½	.18½	.19½
.30	.15	Goldray	3914	.20	.21	.20	.20
6.15	5.80	Granby	100	5.80	6.75	6.75	6.75
.17½	.09½	Grandroy ...	3225	.15½	.17	.14	.14
1.40	1.00	Granduc	3870	1.25	1.29	1.15	1.25
.13	.13	Grandview ..	nil	...	B.10	A.15	.13
....	....	Grea Fall ..	nil	...	B.00½	.....	.01
.09	.04½	Gul-Por Ur. .	500	.05½	.06	.06	.06
.11	.04	Gulch	3175	.04	.05	.04½	.04½
.07½	.04	Gulf Lead ..	7000	.04	.05½	.04½	.04½
10.87½	6.60	Gunnar *1.25	8147	6.70	6.80	6.60	6.65
1.00	.00½	Do. warr. ..	12220	.01½	.01½	.00½	.00½
.10	.04½	Gwillim L. ..	8000	.08½	.08½	.08	.08
.07	.03	Haitian	18500	.03	.03½	.03	.03
2.50	1.30	Hallnor *.10 .	300	1.35	1.70	1.70	1.70
.16	.10	Hard Rock ..	42500	.12½	.14½	.13	.13½
.12	.05	Harr. Min. ..	4500	.08	.06	.07	.07
.20	.13	Hasaga	1283	.16½	.16	.16	.16
.15	.05	H'd of Lakes	13000	.06½	.03½	.06½	.06½

.40	.23	Headway	56800	.32	.38	.34	.34
.08	.04	Heath	4500	.05	.06	.05½	.05½
1.80	1.33	High.-Bell *.10	nil	...	B1.42	A1.60	1.60
		Hollinger					
29.87½	19.50	.24 + *.21 ..	4240	21.00	22.00	21.12½	21.12½
3.25	2.31	Howey Cons.	4740	2.55	2.57	2.45	2.50
4.90	2.90	Hoyle	3750	4.40	4.50	4.30	4.30
51.75	43.00	Hud. Bay 3.00	4516	47.50	47.87½	47.00	47.00
.12	.06½	Hugh-Pam ..	nil	...	B.08	A.09	.08
.42	.24	Hydra Ex. ..	4256	.32	.32	.30	.30

I, J, K, L

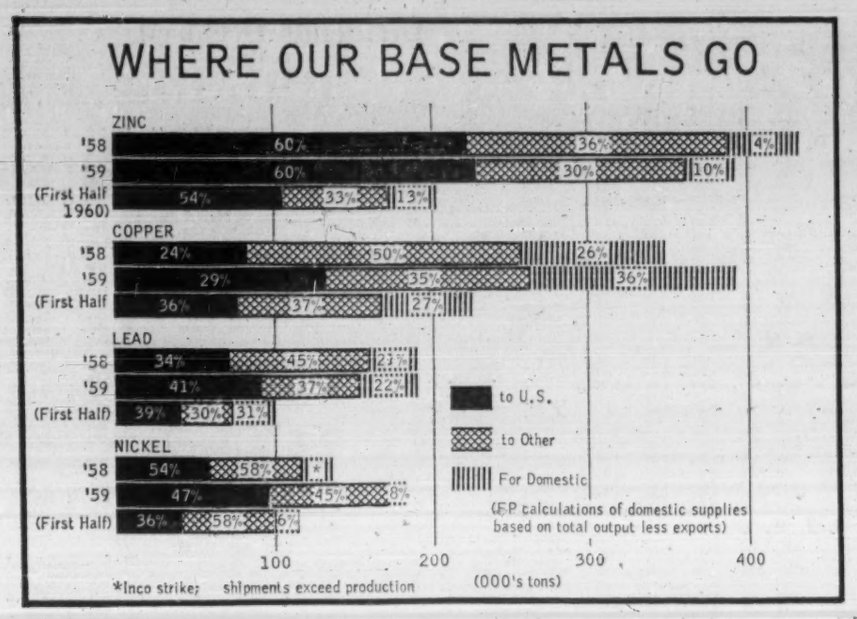
.50	.25	Inspiration ..	2510	.30	.30	.26½	.30
.30	.08½	Int. Ceramic.	10500	.18	.17½	.15	.15
.13½	.05½	Int. Molybd'm	16300	.07½	.08½	.06½	.07
		Int. Nickel					
56.25	49.25	*111.50 ...	13099	52.37½	52.00	49.25	49.37½
1.75	.85	Irish Cop. ...	8400	.90	.95	.88	.92
3.20	1.65	Iron Bay	2300	1.80	1.80	1.75	1.75
.62	.34	Iso Mines	14800	.36	.38	.35	.35
.67	.24	Jack Waite ..	12100	.30	.29	.28	.29
1.40	.86	Jacobus	14500	1.15	1.15	1.09	1.14
.28	.12	Jaye	10700	.15	.17	.14	.14½
.14	.08	Jellicoe	58500	.10½	.12	.10	.10
.16	.07½	Joburke	60450	.1[illegible]	.11½	.09½	.10
.29	.20	Joliet Que. ..	nil	...	B.2[illegible]	A.[illegible]	.23
.17	.08	Jonsmith	131000	.[illegible]	.[illegible]	.11	.11
.43	.25	R. J Jowsey.	47[illegible]	...	.30	.28	.30
.09½	.04	Kenville	5500	...	.[illegible]	.05	.05½
22.62½	10.50	K'Addison .80	22[illegible]	...	13.12½	12.[illegible]	13.00
3.80	1.55	Kilembe	[illegible]	...	2.00	2.00	2.00
1.80	.04	Do warr. C	3150	.08	.07	.04	.07
.42	.17	Kirk. Min. ..	4626	.22½	.25	.23	.23
.10½	.06	Kirk. Town ..	nil	...	B.08	A.09	.08
.09½	.04	Kontiki Lead	nil	...	B.04½	A.05	.05
.02	.00½	Koot. Base ..	nil	...	B.00½	A.02	.00½
.43	.18	Kopan	388700	.36	.43	.35	.39
27.75	17.00	Labrador .25	1610	18.25	18.25	17.75	18.00
.90	.56	Lake Cinch ..	11350	.65	.85	.61	.61
1.01	.35	L. Dufault ..	9750	.49½	.49½	.44	.45
.10	.06	L. Lingman ..	4000	.07½	.07	.06½	.07
.20	.10½	L. Osu	4000	.16	.16	.15	.15
4.50	3.30	L. Shore	1950	4.00	4.15	3.85	4.00
.33	.19	L. Wass	5000	.23	.22	.20	.20
4.20	2.75	La Luz	2100	2.75	2.75	2.75	2.75
4.75	2.95	Lamaque .20	2315	3.20	3.50	3.20	3.25
1.60	.45	Langis Sil. ..	64950	.68	.77	.70	.72
1.40	.26	Latin Am. ..	55900	.36½	.37	.33	.35
1.65	1.32	Leitch G. .06	1775	1.45	1.45	1.40	1.40
.09	.04	Lencourt	500	.07	.06	.06	.06
.04	.02	Lexindin	300	.02½	.03	.03	.03
.06	.02	Lingside	16400	.03	.04½	.03	.04½
.55	.06	Lithium	14700	.45	.46	.37	.40
1.93	1.60	Little L. L. ..	12200	1.62	1.75	1.60	1.64
.56	.19½	Lorado Ur. ..	44000	.48	.48	.41	.43
.10	.01½	Do warr. ..	10100	.05	.05	.04	.04½
.09	.03½	Louvicourt ..	1500	.06	.05	.05	.05
.19	.08½	Lyndhurst ..	6500	.09½	.10	.09½	.09½
.15	.06	Lynx Yk. ...	14165	.09	.08	.07	.07

M

2.92	2.40	Macassa .12 .	4200	2.45	2.60	2.45	2.50
.32	.15	MacDonald ..	6400	.18	.21	.18	.18
.08½	.03½	Macfie	9000	.04	.04	.04	.04
1.18	1.00	Macleod	13400	1.02	1.15	1.05	1.12
		Madsen R.L.					
3.35	2.30	10 + *.05 ..	16030	2.96	3.05	2.90	2.99
.12	.04½	Magagt	66500	.10½	.11	.08½	.09
.03½	.01½	Majortrans ..	1300	.02	.01½	.01½	.01½
1.05	.70	Malartic	3825	.72	.73	.67	.70
.09	.03½	Manchester U.	2500	.05	.05	.04½	.05
.99	.40	Manitou-B. ..	1030	.44	.45	.45	.45
.17	.08	Maralgo	4125	.09½	.09½	.09	.09½
.13	.05½	Marvon	500	.06	.06	.06	.06
1.33	.71	Maritimes ..	30910	.80	.79	.76	.76
.47½	.30	Martin McN.	223400	.41	.44	.38	.39
.32	.08	Massvai	250	.12	.11	.11	.11
.10	.05	Matachewan ..	1000	.07	.07	.07	.07
6.10	4.05	Mattagami ..	600	5.65	5.60	5.40	5.60
.13½	.05½	Maybrun	16300	.07½	.08	.07	.07
30.50	21.00	McIntyre *1.00	4720	26.75	27.37½	26.50	26.62½
.31	.15	McK. R.L. ..	17500	.21	.23	.20	.22
.28	.05	McMarmac ..	1500	.05	.06	.06	.06
.45	.24	McWatters ..	14500	.26	.32	.27	.28
.20	.13	Mentor Exp. ..	4000	.17	.17	.16½	.16½
1.15	.53	Merrill Is. ..	28000	.59	.60	.55	.60
.13	.06	Meta Ur.	4600	.07	.07½	.07	.07
.32	.15	Mid-Chib. ..	500	.16	.16	.16	.16
.85	.40	Miorim	8900	.40	.47	1.39	.45
.17	.07	Midwest	3500	.10	.10	.09	.10
.07	.04	Mindamar	650	.05	.05	.05	.05
12.62½	10.37½	Mng Corp. *.25	1635	11.25	11.25	11.25	11.25
.10	.05	Min. Ore	5000	.06	.05½	.05	.05½
.12	.06	Mogador	600	.08	.08	.08	.08
1.12	.55	Molyb'nite ..	1100	.60	.55	1.50	.55
.80	.55	Moneta	3950	.62	.63	.60	.63
.25	.03	Monpre	1000	.08	.06	.05	.05
.63	.50	Mt. Wt. Iron	148100	.60	.62	.57	.58
.59	.35	Multi-Min. ..	7600	.30	.32	.30	.30
.98	.35	Murray M. ..	118300	.67	.67	.56	.58

N

.20½	.08	Nama Cr.	11500	.12½	.13½	.11	.11
.10	.03	Nat. Ex.	52100	.03½	.07½	.03½	.07
.09	.04	Nealon	18400	.04½	.06	.04½	.05
.15	.09	Nello Min. ..	1500	.12	.12	.12	.12
.17	.06½	Nesbitt L. ..	46900	.10	.15	.09	.13½
.09	.03½	N. Ainsworth	nil	...	B.05½	A.06¼	.07
.07½	.03½	N. Alger	9000	.06	.06	.06	.06
.40½	.25	N. Athona ..	14768	.29	.32	.29	.30
.19½	.05	N. Bidi'e	4500	.07½	.07½	.06½	.06½
.43	.26	N. Calum't 1.02	4700	.35	.32	.31	.31
.07	.05	N. Cronin	nil	...	.....	.....	.05
.17	.09	N. Delhi	5400	.11	.12½	.11	.12½
		N. Dick'n					
3.10	2.20	.10 + *.03 ..	9360	2.95	3.05	2.85	2.90
.....	.....	N. Far North	nil	...	.....	.....	.74
.19	.04½	N. Formaque.	10818	.06	.06½	†.03	.05½
.09	.04	N. G'dvue ..	nil	...	B.04½	A.06	.04½
.05	.03½	N. Hamil	5000	.04	.04	.04	.04
.19	.05	N. Har'na	3000	.08½	.09	.09	.09
1.14	.42	N. Hosco	74175	.49	.56	.46½	.48
.15	.04	N. Imperial .	2000	.11	.10	.10	.10
.14	.04½	N. Indian	nil	...	B.06	A.08½	.07
.06	.03	N. Jack Lk. ..	nil	...	B.03½	A.04	†.01
.09½	.04½	N. Jason	27726	.07	.08	.07	.07
.14	.07	N. Kelore ...	22020	.07	.09	.08	.08½
.25	.11	Nemrod	23800	.14	.18½	.13½	.14½
.42	.20	N. Man.	6100	.22	.24	.22	.24
1.27	.26	N. M'l'que. .	521700	.70	.79	.68	.76
.07	.04	Newnorth	1000	.04½	.06	.06	.06
.12	.04½	N. Rouyn	nil	...	B.05½	A.06	.07
.06	.02	N. Santiago .	13500	.04	.04	.03	.04
.06	.03	N. Senator ..	4500	.04	.04	.04	.04
.18	.12	N. Taku	nil	...	B.15½	A.16	.15
.90	.14	N.W. Amulet	200	.18	.18	.18	.19
.72	.26	Nickel M&S .	32777	.37	.49	.37	.41
.75	.34	Nickel Rim ..	500	.39	.35	.35	.35
1.48	.72	Nipissing ...	1720	.81	.81	.79	.79
.07	.04	Nisto	13600	.05	.05	.04½	.04½
.09½	.04	Nocana	nil	...	B.05	A.08	.04½
.20	.11	Noi Acme	4000	.14	.14	.13	.14
48.75	36.00	Noranda 2.00.	4611	39.75	40.25	39.62½	39.62½
1.17	.33	Norb



Base Metals Industry Is a Business Besieged

By JOHN BLACK

Canada's base metals quartet — nickel, copper, lead and zinc — enjoys a $500-million-plus annual business.

But it is a business besieged.

Although the industry is in a production year likely to break all output records, producers are beset by tariff battles, quota barriers, price caprices.

It is an industry edgy about outcome of talks now under way at the GATT (General Agreement on Tariffs and Trade) conference where tariffs and/or quotas on base metals may be increased, decreased or left alone. While the horse-trading carries on behind the doors at Geneva, here is the trade picture for the industry.

- **Output of all four base metals** is up individually, and collectively by 10% over first half 1959.
- **Exports** of the four metals have increased 12%.
- **Combined first half production** is 629,000 tons, compared with 568,000 tons which was only 40% of total 1959 output.

At the same time, a changing pattern in consumption and export shipments is suggested in first half data available:

- **More copper and lead going to the U.S.** (Example: 32% of copper exports to U.S. in 1958, 46% in 1959, 49% in first half 1960. See chart.)
- **Sharp increase in shipments of nickel to U.K.** and European markets, up 12% over U.S. shipments.
- **More zinc channeled into home markets** — 13% in first half against 9% in 1959, 3% in 1958.

Whatever route changes are ahead for Canada's base metals exports, international trade is the backbone of the industry.

Last year, of the 1.2 million tons of nickel, lead, zinc and copper produced (worth $626.3 million), only 20% was consumed in this country. More than half a million tons went to the U.S. (45%) and the remaining 35%, or 410,000 tons, were shipped to other countries.

European common market countries, notably Germany, are taking more Canadian nickel and copper. Even Russia, which lifted nickel tariffs in 1958, bought 850 tons of our white metal last year. Our producers continue driving for European markets.

Last year **Sheritt - Gordon Mines** shipped about 95% of its nickel-copper production to the U.S.

This year some 35% will go **to Europe,** most of it to Sweden and West Germany.

International Nickel, biggest copper-nickel producer and exporter, is confident it can supply prosperous Europe with as much nickel and copper as needed and wanted. The company has taken expensive steps to meet foreign demand (FP, Sept. 17), as has **Falconbridge Nickel Mines** (FP, Sept. 3).

Combined expansion plans to date and projected by these two big base metal producers will cost $200 million. Inco's new smelter has started up at the huge Thompson (Man.) nickel orebody and its Sudbury base camp mine production is increasing. Falconbridge is developing a new mine, has expanded milling capacity and has announced building of an iron recovery plant.

Plentiful lead and zinc is hampered by the U.S. quota on imports and Canadian producers' voluntary share arrangement.

Production of these two metals has changed little since 1958. Exports of zinc to markets outside the U.S. have not varied 5% in three years. Zinc was the only metal to show a decline in 1959 production. Lead exports to the U.S. have increased, up 9% in 1959 over 1958 and up 4% at June this year over last year's 53%.

(Lead-zinc quota is 80% of average shipments to the U.S. during five years, 1953-57.)

Lead and zinc producers look to West Germany and Belgium as important overseas users of Canadian concentrates. **Mining Corp. of Canada** sees Japan as a stronger buyer. As long as that country's industrial expansion continues, Canadian lead-zinc can expect a fatter share of the Japanese market.

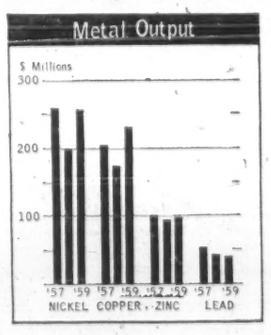
Producers of these metals tend to be long-suffering. Even though the latest effort to double the tariff on Canadian lead-zinc died in the U.S. Congress (FP, Sept. 3), one company officer says about the U.S. industry:

"They'll try for a tariff hike again next year. They always do."

Another industry official doubts that lead-zinc embargoes will be changed in Canadian favor during present GATT negotiations. World stocks are high. One source suggests restrictive marketing policies may even be tightened.

U.S. quotas, now in effect two years, continue with no indication of change. Consumption of lead in the U.S. is expected to be about the same as 1959. Zinc consumption is expected to decrease due to drop in steel operations.

On the copper side, one forecaster sees soaring U.S. and world demand in the next five years. The big increase, he feels, will start late in 1961. But he sees lower prices before and after.



Canadian copper producers may want to be shown, however, after their experience with the confusing copper price shotcalling in 1960. Canadian, London and African prices have dropped. U.S. smelter price holds at 33c per lb. largely on the basis of fears that Congo and Chilean supply is unreliable.

One Canadian copper spokesman calls the U.S. position a stall against time. There is oversupply and the U.S. domestic market is more than "temporarily soft", agrees another Canadian company officer.

Canadian industry, less inclined to join U.S. counterparts in price crystal-gazing, is more concerned about factors affecting volume of consumption. Currently, for the zinc and nickel producers, the lag in U.S. steel operations worries them as much as the iron ore producers. Slow pickup of the 1960-61 automotive pace is the big factor here.

Here's Picture in First Half

First Half	Output 1960	Output 1959	Exports to U.S. 1960	Exports to U.S. 1959	Exports to Other 1960	Exports to Other 1959
	(000's tons)					
NICKEL	105	84	38	41	61	34
COPPER	219	187	79	85	82	72
LEAD	100	98	39	44	30	43
ZINC	205	199	110	122	67	56

Allied Chemical Seeking Gypsum

MONTREAL (Staff) — **Allied Chemical Canada Ltd.** has long-term plans to open a new gypsum development in the Gillis Cove area of Cape Breton.

Company has acquired some land in the region and, **FP** understands, is negotiating for more.

Its parent, **Allied Chemical Corp.,** New York, which has been using Nova Scotia gypsum, has ample resources for the near term but it wants an assured supply to meet future requirements.

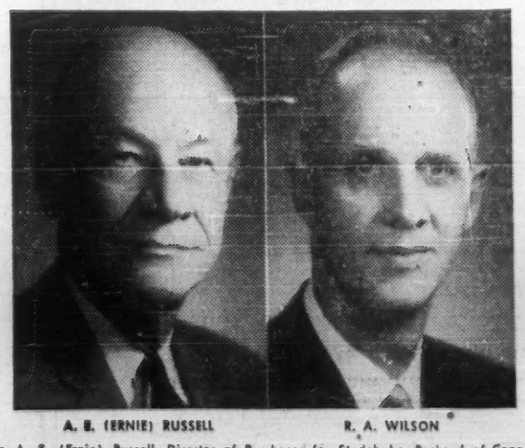
Last year gypsum production in Nova Scotia jumped to a record five million tons, up from three million in 1958. Some 90% went to the U.S.

INT. MINING REPORT

International Mining Corp. reports earnings in the six months ended July 31 of $108,157, or 18c per share. The company had a loss of $302,208 in the first six months of 1959. These figures do not include operations of its subsidiary, **Canton Co. of Baltimore,** which showed gross revenue of $3,591,431 in the first half of 1960. Canton's net earnings, before taxes, were $655,025 in the same period. International owns 800,000 shares of **Placer Development.**

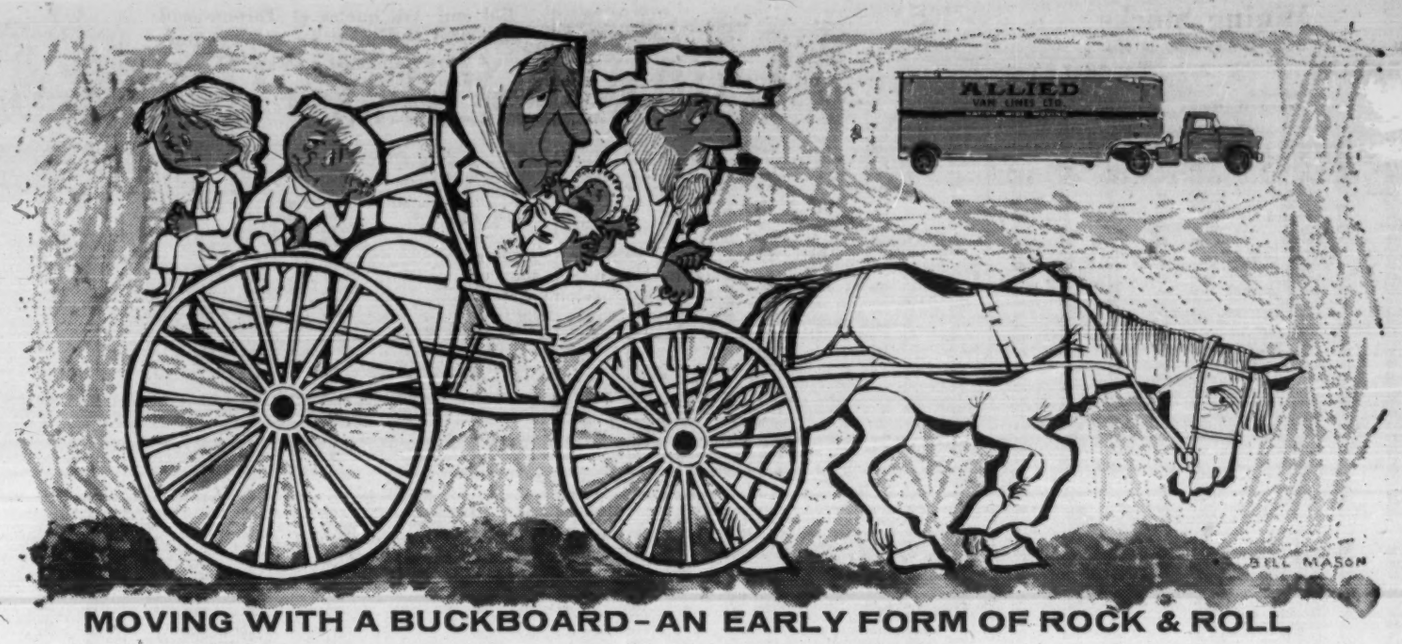
ANNOUNCEMENT

STUDEBAKER ANNOUNCEMENT



A. E. (ERNIE) RUSSELL R. A. WILSON

Mr. A. E. (Ernie) Russell, Director of Purchases for Studebaker-Packard of Canada, Limited, has retired after 47 years of service. The retirement was announced by Gordon E. Grundy, President. Mr. Russell was recently honoured by the Management Group from Hamilton and South Bend, Indiana, at the Hamilton Yacht Club. Coincident with Mr. Russell's retirement, Mr. Grundy announces the appointment of R. A. Wilson as Director of Purchases—succeeding Mr. Russell. Ralph Wilson, formerly Assistant Director of Purchases, has been associated with Studebaker-Packard for the past eleven years. Following service with the RCAF, Mr. Wilson spent 4 years in the Sales Department of a leading Automotive Supplier.



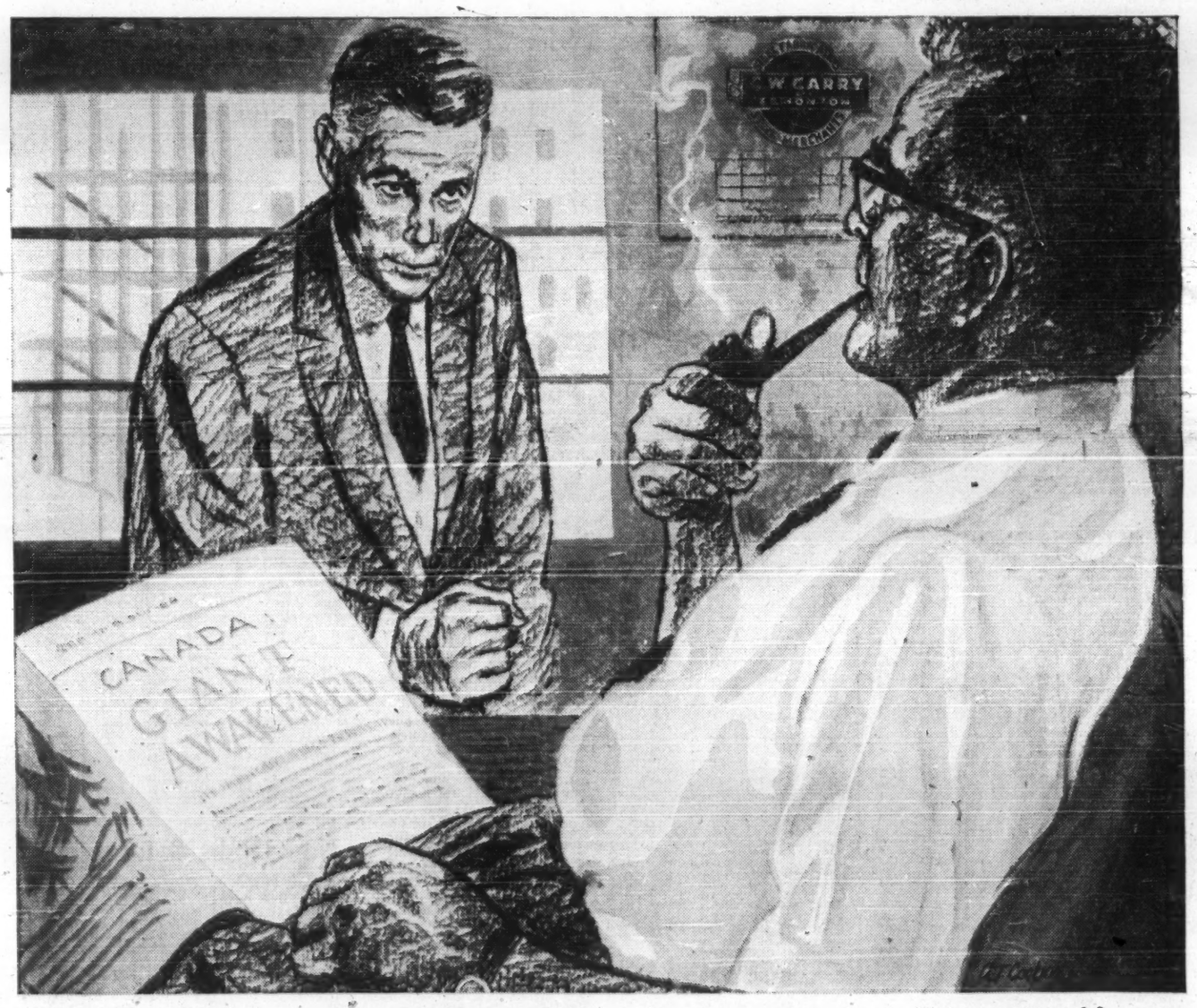
MOVING WITH A BUCKBOARD - AN EARLY FORM OF ROCK & ROLL

Bouncing along in a buckboard you would be well aware that moving had its ups and downs. This mode of moving was elementary alright — and the elements took every advantage of the situation.

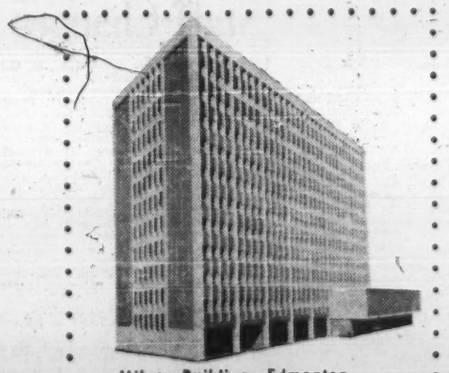
Go modern. Pick the long distance mover selected by two out of three Canadians on the move — *Allied Van Lines.* There is nothing so smooth as an *Allied* move. You are sure of personalized service. Each *Allied* agent is an equal owner in the business with an investment in your satisfaction. Look under movers in the Yellow Pages to find your *Allied* mover.

NATION WIDE SERVICE . . . LINKED BY TELETYPE FOR "ON TIME" MOVING

ALLIED VAN LINES LTD.



"Let's get started...but with whom?"



Milner Building, Edmonton . . . structural steel fabricated and erected by C. W. Carry Ltd.

"Canada's healthy economy dictates immediate start on many projects. Yet, if it is a first building or bridge planning may bog down when the time comes to select a company to fabricate and erect the structural steel. The selection of a company to do the job is largely a matter of confidence — but how can you place confidence in a company with whom you have never dealt before?"

Organizations giving consideration to C. W. Carry Ltd. find a dependable source of confidence in the many industries and municipalities this company has served. They form a quick and reliable pool of reference.

Adding to their own skills C. W. Carry Ltd. is one of the companies forming the Structural Steel Division of Canada Iron. This means a thoroughly competent, experienced company on the job backed by a national group steeped in the lore of structural steel fabrication.

Whatever your next project — wherever it is — place your confidence in the Structural Steel Division of Canada Iron.

Structural Steel Division of Canada Iron

DOMINION STRUCTURAL STEEL LIMITED
Montreal, Toronto, Ottawa, Quebec, Halifax, Winnipeg
C. W. CARRY LIMITED
Edmonton
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Calgary
WESTERN BRIDGE AND STEEL FABRICATORS LIMITED,
Vancouver

New Mylamaque Nears Decision In New Project

New Mylamaque Explorations is just a few months away from knowing whether it can carry out its plans to produce semi-steel using low grade iron and the Strategic-Udy direct reduction process.

If the plans work, they could lead to similar projects in other parts of Canada and throughout the world.

By FRANK KAPLAN

In January 1958, the first organized exploration got under way at an iron property about 20 mi. north of Kingston.

This week, 2½ years and about $1 million later, engineer-president J. R. (Jack) Booth believes the effort to develop a successful operation is nearing its final stages.

What started as a highly-speculative mining venture now has worked into an imaginative industrial project only a few months away from knowing whether:

- **It can clean up important tag ends** including financing, start construction early in 1961 and production of semi-steel in mid-1962.
- **Or be stuck with $1 million worth** of detailed studies, estimates, plans—all the necessary material for the project.

Basically, the plan of **New Mylamaque Explorations** is to produce semi-steel using low-grade iron at Newboro Lake as the raw material and the Strategic-Udy direct-reduction process as the technique.

If the company can successfully carry out its plans, it will be pioneering commercial development of new ideas. Decision to go ahead here could prove to be the forerunner of similar projects in other parts of Canada and the world.

New Mylamaque is a public company listed on the Toronto Stock Exchange. Its stock has attracted speculators and traders, resulting at times in hectic dealings in its shares.

Price range this year: $1.25 high, 26c low, current 70c. The iron and steel industry growth in recent years has been almost completely carried out by major Canadian and U. S. firms. Only the rare exception, such as **Steep Rock Iron Mines,** provides an avenue for direct participation in a producing iron ore deposit.

Latest developments in New Mylamaque's efforts are pointing to an early decision on the over-all mining-smelting project.

Two new directors are to join the New Mylamaque board — Hamilton businessman R. O. Denman representing the **Strategic Materials Corp.** interests and the direct-reduction process owned by them and J. M. Veeder, vice-president finance of the U. S. **Koppers Co.**

Their appearance marks agreements for construction of a smelter which would be operated by Koppers.

The agreements are subject to arrangement of the necessary financing.

They give effect to detailed engineering and design plans started recently by Koppers, and indicate that the final stages of the project are near.

These detailed plans should be completed in about three months.

Also pointing to possible final financing arrangements is a plan to increase authorized capital to 10 million shares from presently authorized and issued six million shares.

Shareholders on Sept. 30 will consider the capital change which will pave the way for sale of 500,000 shares at 50c with the proceeds to be used to pay for design of concentrator and smelter.

It is proposed that the board of directors be increased to nine from seven to make room for the new directors and name changed to **New Mylamaque Mining & Smelting.**

With the final stages in sight, a weary Jack Booth recalled the time - and - energy - consuming studies that were required to bring the iron-smelting project to its present stage.

"We had no signposts to guide us because the process is new," he said.

This chronology gives an indication of what work can be necessary once a mining venture gets out of the initial discovery stage.

Starting in January 1958, its schedule of development went like this:

- **January to June 1958,** drilling and work on the ore-body.
- **August 1958 to August 1959,** preliminary ore tests in four separate laboratories.
- **August 1959 to October 1959,** estimates of ore reserves by engineer Watkin Samuel, indicating 45 million tons of better than 26% iron available for open pit mining.
- **January 1959,** first smelting tests at the Strategic-Udy process.
- **Through 1959,** purchase of the ore property, extensive concentrating tests on the ore, pilot plant work on the concentrates, start of Koppers study of economic feasibility, sample metal produced and rolled at **Atlas Steel.**
- **February 1960,** establishment of a limestone deposit of 2.5 million tons on the 217-acre plant site at Millhaven, Ont., near Kingston.
- **March 1960,** testing of lime source and simplification of techniques to lower costs.
- **May 1960,** completion of Koppers economics study.

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ANNOUNCEMENT

LA MAISON BIENVENU LIMITÉE APPOINTMENT

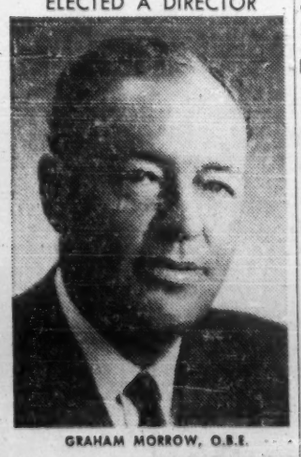
STANLEY R. SMITH

The Directors of La Maison Bienvenu Limitée take pleasure in announcing that Mr. Stanley R. Smith is now associated with the firm.

Mr. Smith, who is well known in Montreal investment circles, will be in charge of the firm's Institutional Sales Department.

ANNOUNCEMENT

ELECTED A DIRECTOR



GRAHAM MORROW, O.B.E.

Maj.-Gen. A. Bruce Matthews, Chairman of Economic Investment Trust Limited, is pleased to announce the election of Mr. Graham Morrow, O.B.E., to the Company's Board of Directors.

Mr. Morrow is a Vice-President and Director of The Imperial Life Assurance Co., Western Assurance Co. and British American Assurance Co., and a Director of The Canadian Bank of Commerce, National Trust Co. Ltd., and Burlington Steel Co. Ltd.

Taking Stock

What's going on in the mining and oil markets — the facts and rumors.

By FRANK KAPLAN

WHAT LOOKED LIKE the beginning of a mild revival of speculative interest turned sour when a slumping Wall Street dragged down Canadian mining stocks.

Leading base metals, particularly issues like **International Nickel** which are listed in New York and attract a large world-wide following, were hardest hit in the slide.

As measured by the Toronto Stock Exchange index, leading base metals slipped about 3% in a week, are back to about the same levels as a month ago.

A pattern pointing to increasing supplies of leading metals coming into world markets at a time when demand appears unsettled is upsetting the price and market outlook.

Here's how some leaders trade.

	Latest Price	End Aug	End June	1960 High	1960 Low
Cons. Mining	18½	19⅞	18	20¼	17
Intl. Nickel	48¼	54¾	55¼	56¼	45⅝
Hollinger	20	21¾	22¼	29¾	19½
McIntyre	26	26⅝	23⅜	30½	21
Noranda	38½	39¼	36¾	48¾	36
Ventures	24½	26½	23½	28	21¾
Hudson Bay	45¾	47½	43⅜	57¾	43

Signs of renewed speculative interest are apparent in the scattered bursts of heavy trading in individual issues. **Chesterville** is a feature as it firms to 37c from 28c with rumors circulating of a gold discovery in the Long Lac area. This company also reports purchase of 50,000 shares **Chemalloy Minerals** at $2.50 a share as part of a deal which is believed to represent a switch in Chemalloy control. Chemalloy at $2.20 is off from $2.50.

A definite switch in control is the takeover of Cobalt silver producer **Agnico Mines** by holding company **Yellowknife Bear.** Agnico holds steady at 58c and the Streit-Hackett controlled Yellowknife Bear is also firm at $1.02.

And a change is rumored in **Consolidated Halliwell,** the new Haiti copper producer. Some shuffling is supposed to be going on, possibly resolving by the end of the month. Halliwell shares turn active and firm to 52c from a recent 44c.

* * *

Can-Erin is weaker as it sags to 63c from 73c. The company reports three drills working underground on the Eire property. It says 2.3 million tons running about 2% copper have been indicated by drilling.

O'Leary Malartic attracts some attention on the basis of a copper show in the Chibougamau area. Drilling is planned. The shares climb from 20c to 30c, settle back to 23c.

Merrill Island reports some encouraging surface drilling on its Chibougamau property which may indicate more continuous ore than previously found. The shares trade quietly around 60c.

Fatima rebounds to 39c from 37c after dropping from 43c on news that underground work at its Timmins area nickel property was being suspended pending additional financing.

* * *

ON THE OIL AND GAS FRONT—the slide is steeper than in metals. The TSE western oil index sags 5% on the week with general levels back to about a month ago, wiping out some recent gains.

Central Del Rio and **Canadian Devonian** continue attracting speculation on their future. Latest Del Rio bounce is from $5.50 to $6.55, at mid-week $5.85. Devonian at $3.55 swung between $3.15 and $3.65.

A typical street reaction is this comment by analyst E. P. Henry of R. A. Daly & Co.:

"If you want the real inside story on Central Del Rio, give us a call. We have seven of them now, all different and all guaranteed authentic. About all we can be certain of at this point is that we'll have 15 stories next Friday."

Canadian Javelin Dispute Settled

Dismissal of a $6,785,000 lawsuit pending against 17 defendants, including several U. S. and Canadian iron ore and steel firms, follows announcement of a settlement by Victor P. Geffine with **Canadian Javelin Ltd.**

Geffine is named president and a director of **Jubilee Iron Corp.,** a subsidiary of Canadian Javelin. He will also receive a stock interest in Jubilee's iron ore properties in Quebec.

Geffine's suit sought commissions that were claimed for bringing together companies to take over a part of Canadian Javelin's lease in Labrador.

The companies included **Pickands Mather & Co., Youngstown Sheet & Tube, Interlake Iron Corp., Steel Co. of Canada, Mather Iron Co., Newfoundland & Labrador Corp., Wabush Iron Co.** and eight subsidiaries of Canadian Javelin.

33% of Stock Wins Control Of Agnico Mines

Take-over of Cobalt area silver producer **Agnico Mines Ltd.** by J. Bradley Streit's **Yellowknife Bear** group was managed by the simple process of proxy control, deposed President Andrew Robertson said.

At the annual meeting, Yellowknife Bear and associates emerged with 650,000 shares, about 33% of the 2,157,627 Agnico stock outstanding.

Robertson, removed from the board as well as office of president and general manager, said an offer was made on his own 150,000 shares but he turned it down.

Can-Fer Ore Tests Up to 69% Yield

Premium grade iron yield of 66% to 69% with about 95% recovery is reported by **Can-Fer Mines Ltd.** following receipt of metallurgical test results on Kowkash area ore samples.

The Ottawa tests also show the leaner grade ore, approximately 15%, can be concentrated to a premium grade product.

Possibility that tonnage estimates of 125 million tons may be substantially increased was shown when a hole 2,000 ft. west of the main orebody intersected a 600-ft. zone grading over 30%.

A second hole one mile further west ran through 360 ft. of ore. Log studies of these cores indicate 30% grade.

Company Reports

Oil

D. A. STUART OIL CO., Toronto, consolidated net profit for year ended May 31, 1960, was $333,472, up 32.5% from the $251,726 earned in the previous year.

Sales were up 18%, reflecting continued improvement in the metal working and automotive industries. Sale of more profitable products has been emphasized, particularly products developed during the past two years, Chairman R. A. Bryce and President L. B. Perkins state.

Canadian subsidiary showed steady growth and ended the year in improved financial condition. Equipment has been added to facilitate manufacture of products previously imported from parent company, resulting in savings.

Negotiations toward licensing and manufacturing agreements were carried out with a company in Switzerland and one in London, Eng.

Swiss company will control manufacture of Stuart products by a company located in West Germany, and their distribution throughout Continental Europe. English company will manufacture and distribute Stuart products throughout entire British Commonwealth except Canada.

Total export sales during the fiscal year increased more than 60%.

Capital expenditures during the year totaled $64,295, up from $40,838 the previous year.

CONS. INCOME ACCOUNT

Years Ended May 31:	1960	1959
Sales	$6,220,555	$5,273,987
Net earnings	725,339	547,769
Less: Inc. tax res.	340,760	234,420
Depreciation*	51,307	41,623
Net profit	333,472	231,726
Less: Com. divds.	142,309	113,173
Surplus for year	191,163	138,553

*Net after amortization credit of $21,000.

Earnings per Share and Dividend Record:		
Common	$2.93	$2.21
Paid	1.00 + 0.25	1.00
Shares o/s at May 31:		
Common, n.p.v.	113,889	113,794

CONDENSED CONS. BALANCE SHEET.

As at May 31:	1960	1959
Cash	$460,389	$421,770
U. S. treas. notes	200,200	70,000
Accts. rec., etc., less res.	551,244	508,204
Inventories	503,108	498,544
Prepaid exps.	34,094	26,537
Total curr. assets	1,749,035	1,525,055
Mtge. rec.	2,725	5,025
Inv. & adv.	63,579	63,579
Fixed assets*	575,591	579,520
Patents, etc.	1	1
Total assets	2,390,931	2,173,180
Accts. & tax. pay.	529,864	480,739
Dividends pay.*	28,472	28,449
Total curr. liab.	558,336	509,238
Mtge. pay.	28,225	31,066
Capital stock	422,158	420,827
Capital surplus	88,534	107,684
Surplus	1,293,528	1,104,365
*After depr. of	311,877	243,353

*Canadian funds.

•Expressed in U. S. currency except for assets of approx. $205,000 in 1960, $191,000 in 1959, net Canadian currency included at par value.

Working capital	1,190,699	1,015,817

NEW BRANCH

Glidden Co., has opened a new dealer distributing centre in Guelph, Ont. New branch will serve over 50 of the firm's paint dealers in the Guelph-Galt-Kitchener area, as far north as Tobermory.

Mines Juggle Cash, Shares And Look For Tax Breaks

The end result of a series of deals involving **New Dickenson Mines, Violamac Mines** and **Lake Cinch Mines** seems to look something like this:

- **Viola MacMillan** and her husband George get $1,867,050 cash for their controlling 1,484,700 ViolaMac shares (about the equivalent of $1.26 a share; current market is at $1.01).
- **Lake Cinch shareholders,** including parent ViolaMac, under a proposed amalgamation agreement, are to get one share of New Dickenson for every 4½ Cinch held. This is equal to about 62c per Lake Cinch share, taking New Dickenson at mid-week price of $2.80. Lake Cinch was at 65c.

Former uranium producer Lake Cinch has about $2.8 million in liquid assets, equal to about 88c on its 3,196,494 shares outstanding.

The big cash position is the result of sale of its uranium contract.

New Dickenson is a producing gold mine in the Red Lake camp, has been paying 10c a share annually on a regular basis and extras of 2½c in 1958 and 1959 and a 3c extra this year.

- **New Dickenson shareholders** get the use of Lake Cinch's cash, tax write-offs of $1,280,768 and further possible tax benefits for the amalgamated company resulting from the method of merger — sale of New Dickenson to Lake Cinch.

This is the technique followed in the recent merger of **Giant Yellowknife Gold Mines** and **Consolidated Sudbury Basin** and started by the amalgamation of a group of uranium companies into **Rio Algom Mines.**

The New Dickenson - Lake Cinch amalgamation agreement comments:

"Lake Cinch will contribute the main amounts of these possible tax advantages which it is believed will offset for a considerable time the cost of any dividends on the shares of the amalgamated company issued to the Lake Cinch shareholders."

The amalgamation proposal will be considered by New Dickenson and Lake Cinch shareholders Oct. 5.

A two-thirds majority of votes cast is required for approval. The new company would be known as Dickenson Mines will have 3,479,040 shares outstanding. (There are 2,768,700 New Dickenson now outstanding.)

New Dickenson, through its earlier purchase of the ViolaMac shares, controls Lake Cinch. The New Dickenson interest in ViolaMac, on completion of a two-step deal, will be 42%. ViolaMac in turn controls 66% of Lake Cinch.

ViolaMac also has 82% control of developing copper producer — **Kam-Kotia Porcupine Mines** — a producing base metal mine in British Columbia, other promising properties.

New Dickenson is also participating in the financing of **Taurcanis Mines** in the Northwest Territories and controls **Craibbe-Fletcher Gold Mines** in the Red Lake camp.

C. J. LAURIN, director, magazine division, Maclean-Hunter Publishing Co., Toronto, is the new president of Periodical Press Association. PPA represents the interests of some 155 Canadian periodicals, including agricultural publications, business newspapers and consumer magazines.

1-for-4 Exchange In Spring Coulee

New Spring Coulee Oil & Minerals reports continuing studies for development and marketing of amber resins contained in its Manitoba mineral concessions.

The company will seek shareholders' approval Oct. 11 for reorganization on the basis of one new share for four old. Name is to be changed to **Native Minerals.**

The company also proposes to issue 750,000 new shares to G. F. Stevens, Winnipeg, for his rights to amber deposits in Manitoba.

OPEN LETTER . . .

to the SELECTIVE INVESTOR . . .

HERE at the Forecaster we've now and then been accused of being too preoccupied with the profit motive in our stock market transactions, too materialistic in the quest for capital gains—but this simply isn't so. Indeed, if the truth were known, music, the arts and the humanities mean far more to us than the sordid subject of money, and if our readers and clients do have a tendency to accumulate securities that rise in value at a later date, this we must insist is primarily because it wounds their sensitive natures to see good stock being disrespectfully ignored.

STELCO, FOR EXAMPLE—what a pity to see this member of a fine old family debased on the Toronto Stock Exchange near $63-$64 earlier in the year. *Of course* we took it in—our only regret when shares advanced to levels above $70 some five weeks later being the innuendoes on Bay Street that we were interested in nothing but money. Moreover, we're not embarrassed to say that we've done the same for numerous others that this year have similarly justified our faith—to mention a few—and only a very few at that—

stock	accumulated near	advanced to
International Petroleum Company Limited	$32.75	$43.50
Giant Yellowknife Mines Limited	6.70	12.37
Consolidated Mosher Mines Limited	.83	1.87
United Keno Hill Mines Limited	4.00	7.25
Interprovincial Pipe Line Company	50.00	60.00
Westeel Products Limited	12.00	17.37
Toronto Elevators Limited	5.35	(equiv.) 13.00
Murray Mining Corporation Limited	.30	.99

TO INVESTORS AND TRADERS interested in learning more about the Forecaster's idealistic approach to the stock market, we cordially invite you to drop us a line today. Our address is THE CANADIAN FORECASTER, 238 Adelaide Street West, Toronto. Annual subscription to our eight-page weekly commentary on Canadian stocks and the market is $45, while 60-day trials ($5 or $5.50 airmail) can also be arranged. As ever, personal attention to all readers at any time without additional charge; our telephone number is EMpire 4-5421-2.

Kopan's Crews Crack Ice To Capture Copper Cores

Hopping by helicopter from base to camp, then grabbing alpine boots and ice picks, exploration crews for **Kopan Developments,** Vancouver Island project are not mountain climbing for the sport of it.

They are at work, looking for copper on the face of 6,000-ft. mountain where diamond drills are probing above and below a glacier.

This British Columbia copper venture with a Swiss Alps flavor is managed for Kopan by burly Andy Robertson, Toronto engineer, who is scaling and sliding on the mountain for his second season.

So far he's shown his principals a mineralized zone some 1,500 ft. across and 1,000 ft. high on the mountain face. This month his crews will drill from a peak plateau to substantiate zone thickness.

Old trench samples (the mountain was first prospected 60 years ago) assay as high as 8.15% copper. In 1914 a British crew reported average grade of lodes, from the top of the "Big I" mountain, at 6% copper.

What 3,000 ft. of diamond drilling will show for Kopan today will be known when Robertson comes down from the mountain.

Lindsay Plans Gold Production

Plans for production are announced by **Lindsay Explorations** on its gold property in the Fort Francis area.

Officials report an indicated 138,000 tons grading an average of 1.372 oz. gold per ton.

A contract has been let to sink a shaft 400 ft., establish two levels and drift a minimum of 400 ft. on each.

Company intends to build a 100-ton flotation mill, with production slated for next August.

Pamoil Quarter Gross Is Up 46%

Pamoil Ltd. reports a 46% increase in gross revenue during the first quarter of its fiscal year.

Gross revenue for the three-month period ending July 31, 1960, amounted to $327,204, up from $178,214 for the first quarter of last year.

Net profit was $74,000, compared to a loss of $23,833 during the same period last year.

UP UP UP

. . . grows the prairies' first skyscraper, the Elveden House, Calgary. Beside being a major construction for the west, it serves as a classic example of Mannesmann versatility with orders large or small. Thus far delivered to the job site: One mile of 4½" O.D., ¾ of a mile of 6⅝" O.D., four hundred and sixty feet of 8⅝" O.D. and 220' of 10¾" O.D. — all Mannesmann Seamless mechanical tubing.

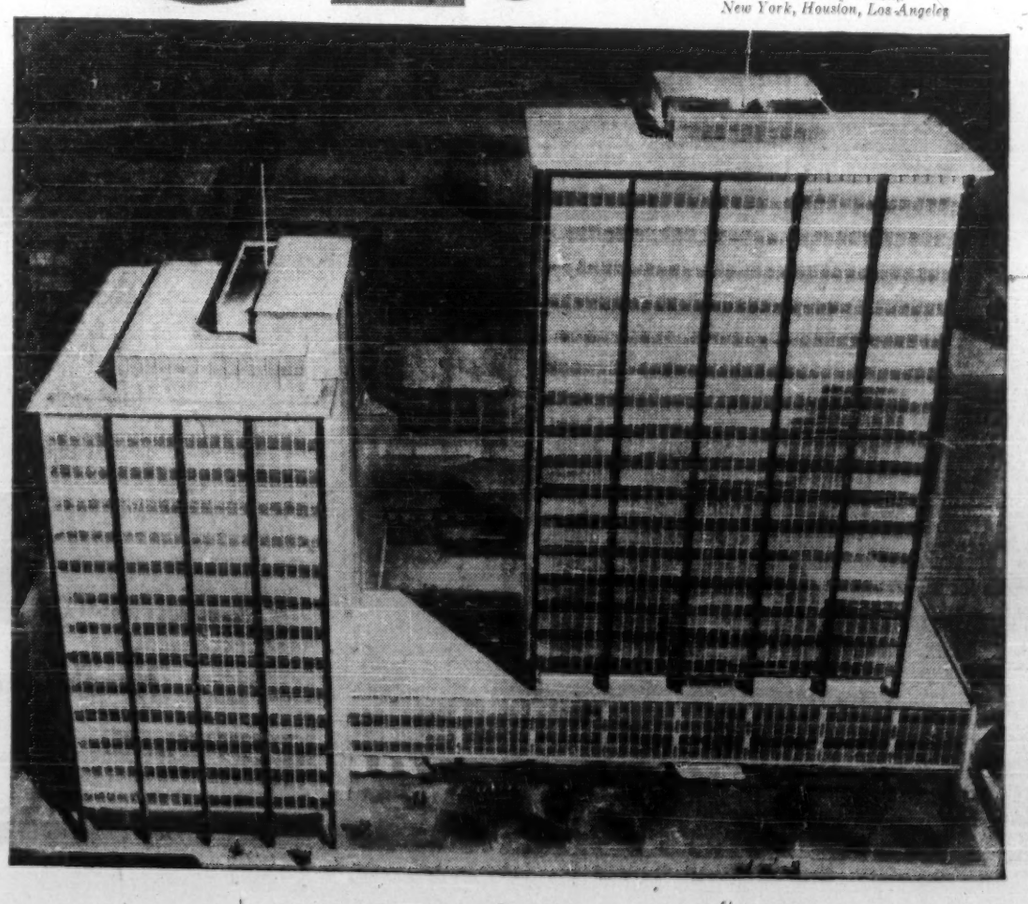
Mannesmann also manufactures line pipe and casing to API petroleum industry standards—4½" to 11¾" O.D. Mannesmann products are readily available from Canada's largest steel pipe inventory which enables most orders to be shipped within hours of their receipt.

Mannesmann sales, distributing and technical representatives are at your service throughout North America—Cable Address: MANNEXCAN, Telex 02-2248, Telephone EMpire 4-3447, Toronto, Ont.

MANNESMANN TUBE COMPANY LTD., *Sault Ste. Marie, Ont.*

SALES: *Canadian Mannex Corporation Ltd., Calgary, Toronto, Vancouver*

EXPORT: *American Mannex Corporation, New York, Houston, Los Angeles*



RUBBER BARREL falls . . . and bounces.

Urge Public Tender Openings

A recent survey of policies of public bodies in major Ontario cities shows a definite trend toward public tender-openings.

Addressing a joint meeting of Toronto Builders' Exchange and Canadian Construction Association's management committee in Toronto this week, Jack M. Soules, CCA president, said this was in line with the national picture but there is still much to be done.

Example of inconsistency in Ontario at the provincial level given by Soules:

• **Ontario Water Resources Commission** does not follow the policy of the departments of highways and public works in holding public tender openings.

• **Affiliated builders' exchanges** in 15 Ontario centres reported that their municipal governments opened construction tenders in public, Soules said.

• **"Hospital and school boards** of this province, however, are the chief holdouts. Their policies vary considerably.

"They frequently decline to open tenders in public even though their local municipal government does. In only seven of the 15 cities listed, does the public school board hold public tender openings and in only five cities does the separate school board.

• **"The civic hospital boards,** have the poorest record with only two boards (Hamilton and Ottawa) opening construction tenders directly."

He said Hamilton is the only Ontario city with a clean slate on the whole subject.

Brokers Spot the Theft Thieves Have Lost Deposits

This is how **not** to make money in the market.

An employee of a Toronto stock brokerage house is alleged to have stolen stock certificates valued at $104,000, from the firm's vaults.

An accomplice, posing as a well-to-do investor, opened accounts at several other Toronto investment houses, carried out a few legitimate stock transactions.

Then he deposited the stolen certificates in the various accounts, preparatory to selling them.

But the first sale — 1,000 shares of a junior mining stock —aroused the suspicions of an alert clerk.

He checked with the first brokerage house. That led to discovery of the theft of the entire $104,000 in certificates.

All the certificates were then recovered from the various brokerage accounts newly opened by the accomplice.

No customers have lost money.

Biggest losers so far: The clerk and his accomplice, who used their own money to open the accounts.

The two, being sought by police, are not expected to come forward to liquidate their accounts.

PLATE AND SHEET METALWORKING MACHINERY
Including
MECHANICAL PRESSES • FOOT & POWER SHEARS • BENDING BRAKES
BENDING ROLLS • BAND SAWS • ROLL FORMERS • TINSMITH TOOLS
GREY IRON CASTINGS • WOOD & ALUMINUM PATTERNS
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FOUNDRY & MACHINE CO., LTD.
HAMILTON, CANADA

What's New

New products, new uses, new ideas, new money-makers. FP reports them here and invites contributions. Write to FP, 481 University Ave., Toronto.

AIRBORNE noises and vibration are muffled by a snap-in, one-piece, laminated fibreglass acoustical automobile ceiling that will be seen in some 1961 cars this fall. The ceiling is contoured to hold itself in place snugly under the car's metal top. It provides up to ¾ in. extra head room, creates a feeling of greater spaciousness, and comes in a range of colors.

* * *

RADIO-SUNGLASSES are designed for people who balk at carrying a portable radio or wearing one in their pocket. The radio parts are built into the sidepiece, the left one of which also has a selector knob and a small button earphone. A piece of wire crossing the hinge gives the only clue they are not ordinary sunglasses. They come with an aerial which does not always have to be used.

* * *

HAT-MAKING, by electronics, involves the use of two push-button machines that can be operated by completely unskilled labor. They make hats from man-made fibres at the rate of one hat every 10 sec. The hats are virtually uncrushable, retain their shape indefinitely, can be washed and are much cheaper to produce than conventional hats, says the U.K. maker. The machines are now making hats resembling very fine straws for men's, ladies' and children's wear. Coming up are boater-style hats and imitation felt hats that will remain unaffected by water or rough usage.

* * *

RUBBER DRUM can be literally bounced off a truck without fear of damage, maker says. The 50-gal. drum is made of rayon, coated and impregnated with rubber. The drums may be folded up when empty, saving storage space. The problem of corrosion and the resultant contamination of contents, often encountered in metal drums, does not arise, the maker says.

* * *

CORRUGATING machine forms metal by folding it, in contrast to the traditional method of forming corrugations by drawing. The technique assures a large variety of patterns that can be tailored to specific jobs, the maker says. The key element in the process is a cam-controlled action that moves the forming dies in both horizontal and vertical planes. Simultaneous perforating, offsetting, slotting or lancing is possible. The machine can form aluminum, brass, copper, stainless and regular steel, plastic and cardboard.

* * *

NEW METHOD for purifying drinking water employs ultraviolet germicidal lamp. It is inserted between water inlet and pumping system. It requires little maintenance other than change of lamps. Maker says it can kill coliform bacteria in clear water one minute after the lamp is turned on.

* * *

COILED AIR HOSE, similar to a coiled telephone cord, keeps neatly out of the way of a worker using an air tool. Quick-disconnect fittings on standard 25 ft. lengths make it possible to carry the hose easily from job to job.

* * *

PLASTIC SCREEN filters glare from sunlight, transmitting a diffused light into the room. A three-dimensional molded pattern in the translucent plastic permits air to pass through unobtrusive horizontal vents and creates an interplay of light and shadow, the maker says. The polystyrene plastic can tolerate years of sunlight and outdoor weather without warping, discoloring or disintegrating, the firm adds.

* * *

NEW LITERATURE: **Canadian General Electric Co.,** Toronto: Booklet entitled "Some Plain Talk About Closed Circuit Television" . . . **Ontario Building Materials Ltd.,** Toronto: Folder called "This Is Lime Putty Service" . . . **Consolidated Mining and Smelting Co. of Canada,** Montreal: Directory of Canadian firms engaged in custom and production galvanizing . . . **J. B. Morrison Machinery Co.,** Toronto: Bulletin covering flow needle and check valves, time delay control switches . . . Battelle Memorial Institute, Columbus, Ohio: Brochure entitled "Procedures of Contract Research for Industry" . . . **Acme Manufacturing Co.,** Detroit, Mich. Catalogue of flat surface grinding and polishing machines for finishing and deburring parts.

Company Reports

Oil

NEW BRUNSWICK OILFIELDS LTD. had net loss of $97,727 on operations in year ended May 31 (loss was $14,421 previous year).

Production fell to 100.9 million cu. ft. gas and 14,399 bbls. oil from previous year's 131.3 million cu. ft. gas and 14,925 bbls. oil. Three wells were completed as dry holes, through work under agreement with **Imperial Oil.**

The company advises that no further drilling is to be undertaken until completion of a restudy of work to date.

INCOME ACCOUNT

Years Ended May 31:	1960	1959
Production sales	$192,046	$267,972
Add: Invest. inc.	19,999	14,816
Misc. income	6,077	11,734
Less: Oper. exp.	77,333	92,111
Expl. & devel. exp.	145,213	111,060
Gen. & admin. exp.	70,240	76,520
Depr. & depl.	23,063	29,959
Net loss	97,727	14,421
Shares o/s as at May 31:		
Common, 40c par	2,050,030	2,050,030

CONDENSED BALANCE SHEET

As at May 31:	1960	1959
Cash	$23,346	$28,275
Invest. cert.	138,000	160,000
Mkt. sec.*	242,014	242,196
Accts., etc., rec.	21,025	43,328
Inventories	65,573	78,617
Prepaid & def. exp.	6,472	16,838
Total curr. assets	493,430	599,254
Invest. in subsid.	12,747	12,747
Land, bld. & equip.†	67,181	80,831
Leases‡	292,563	301,063
Total assets	865,921	993,897
Total curr. liabs.	11,775	43,634
Capital stock	820,012	820,012
Capital surplus	85,303	85,303
Earned surplus	431,169	46,558
*Mkt. value	236,836	240,378
†After depr. of	236,104	221,764
‡After depl. of	203,943	195,041
§Deficit.		
Working capital	481,655	557,230

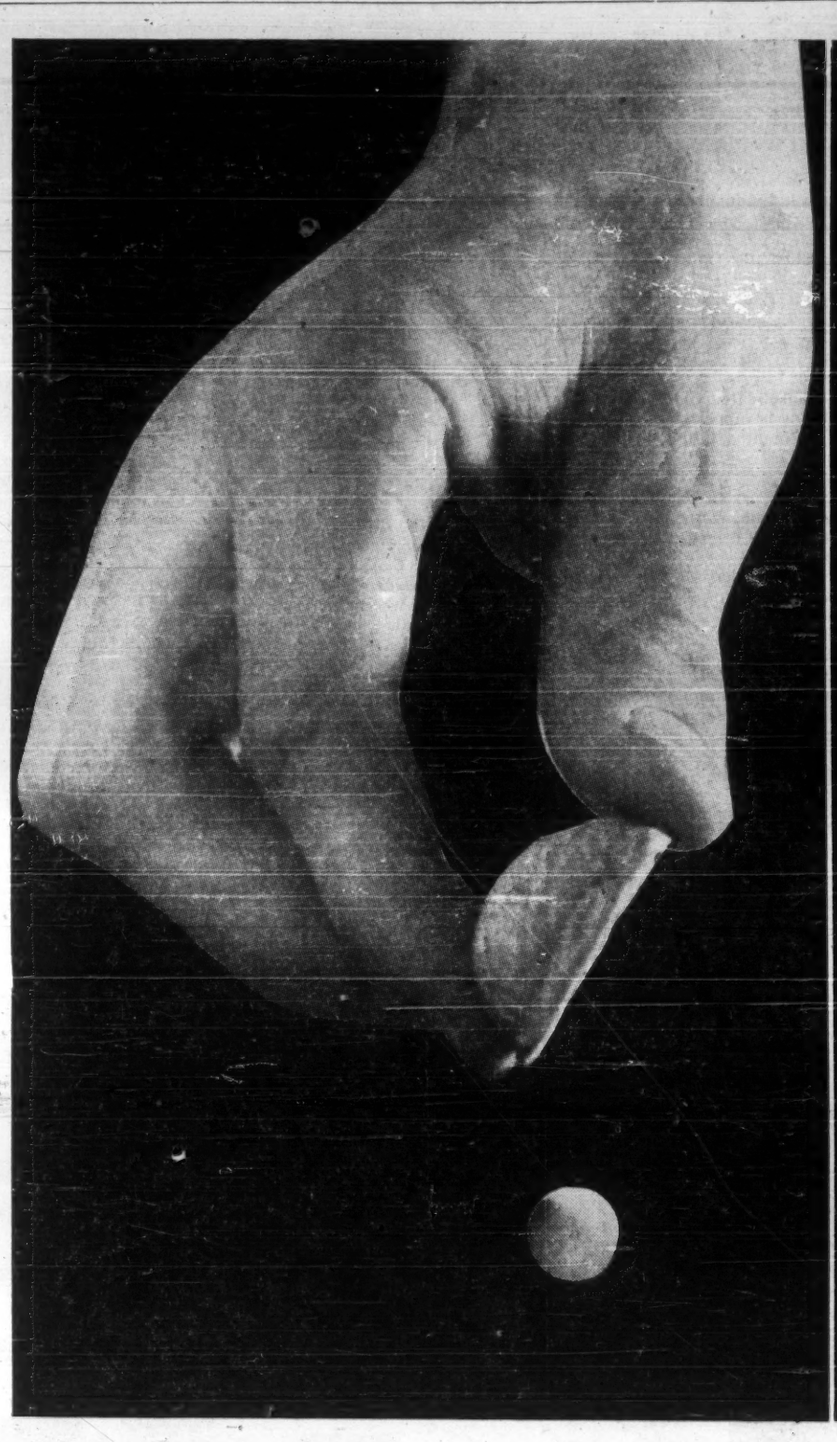
H.B. Co. to Build Store at Red Deer

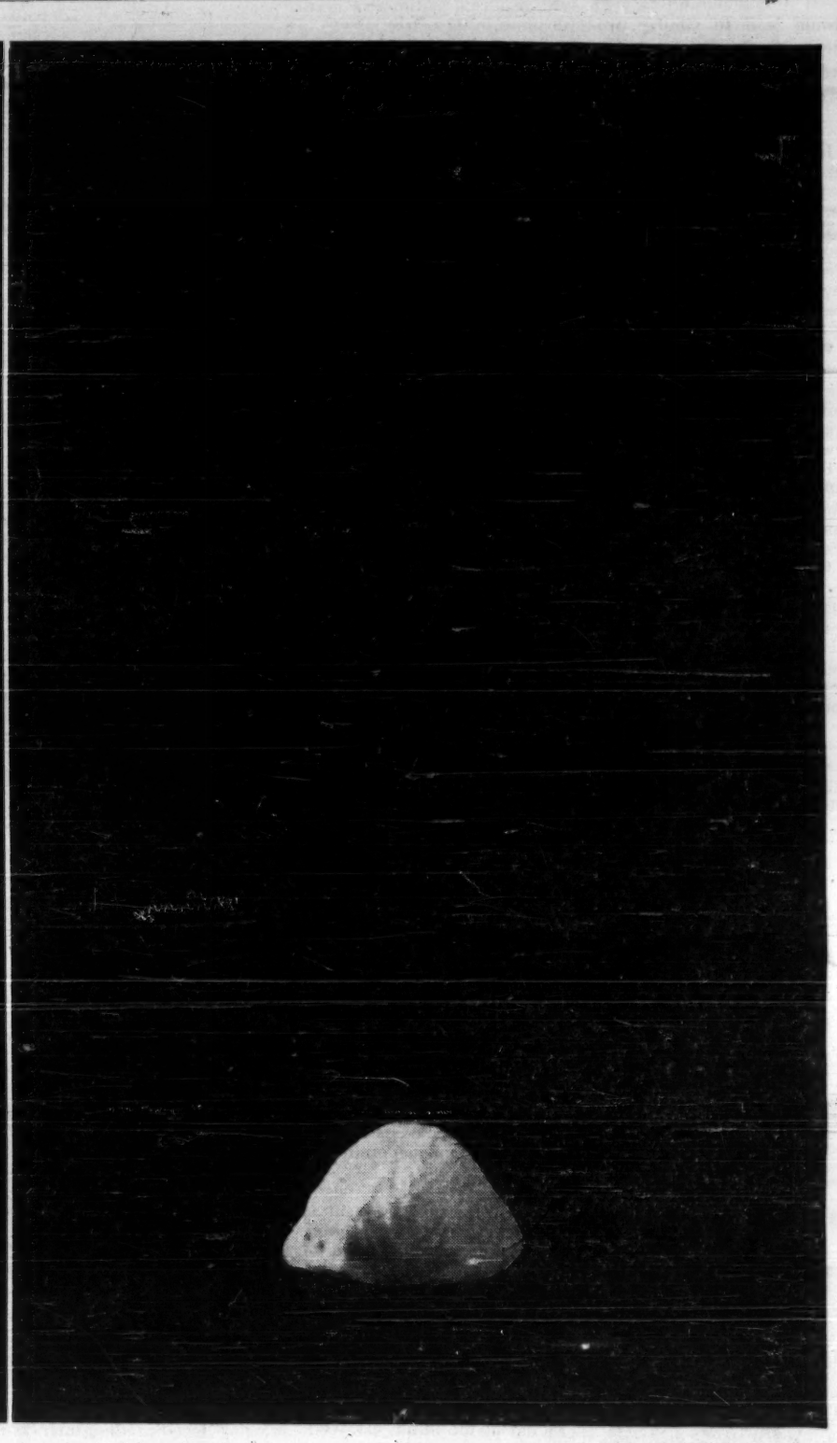
From Our Own Correspondent

EDMONTON — Construction will start immediately on a new $1 million **Hudson's Bay Co.** retail store at Red Deer, 100 mi. south of here.

It will open in the fall of 1961. The two-story building will have 72,000 sq. ft. of floor space. A city-owned parking lot will be established across the street.

General contractor: **Forest Construction Ltd.** of Winnipeg.





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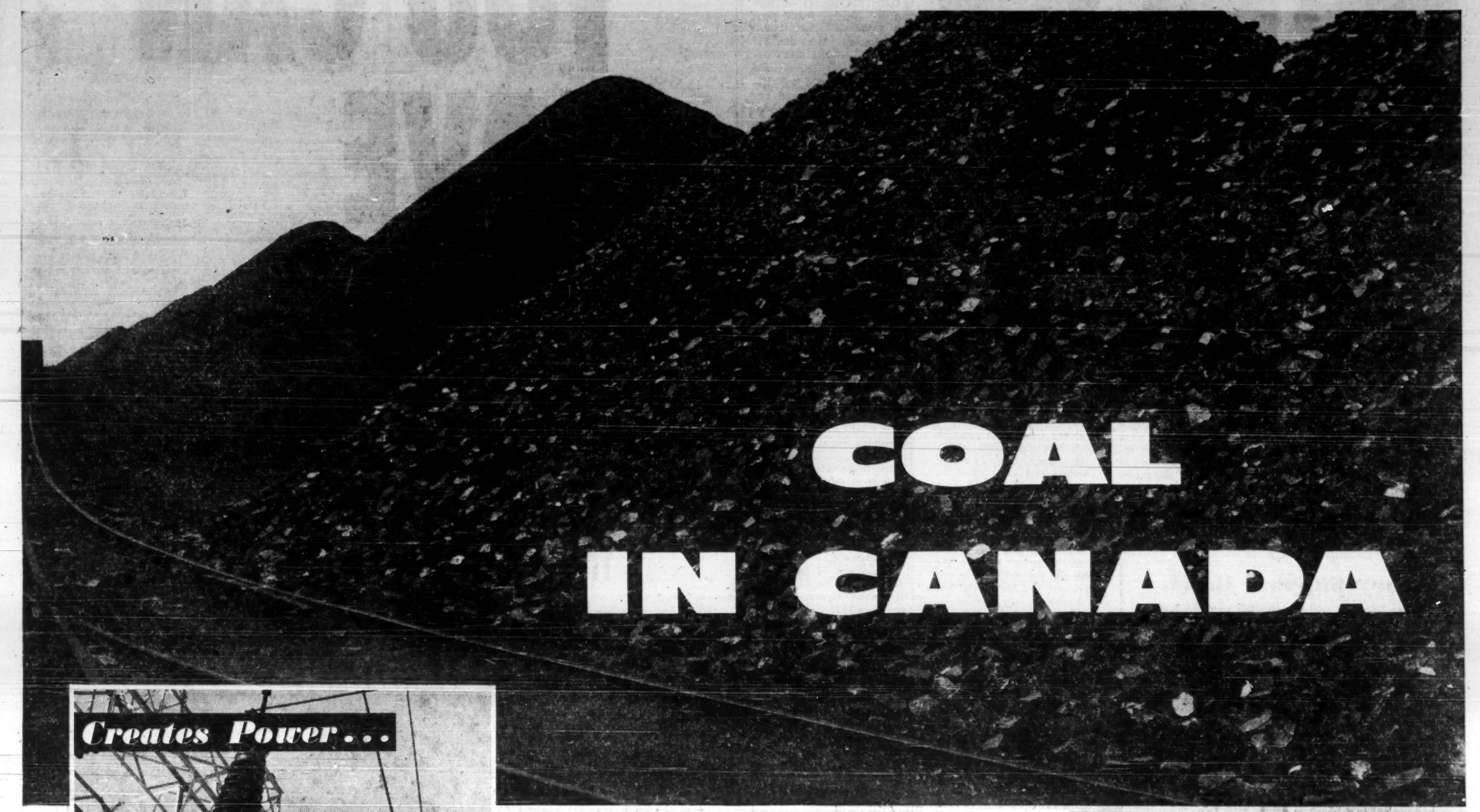
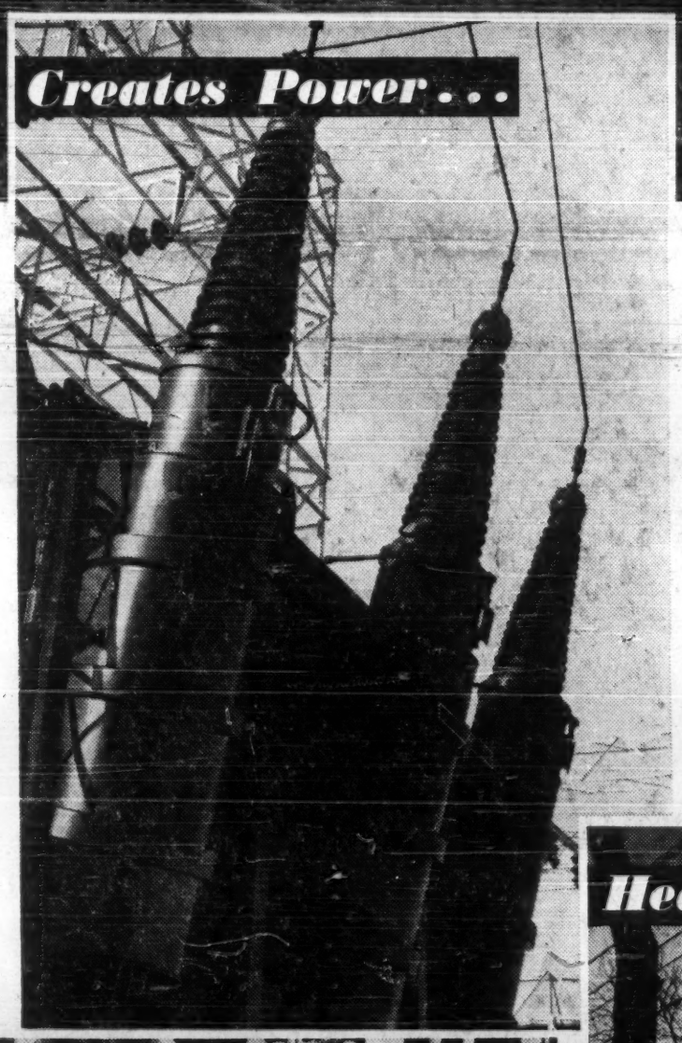
Weekend MAGAZINE / AND ITS FRENCH LANGUAGE EDITION Perspectives

The Financial Post

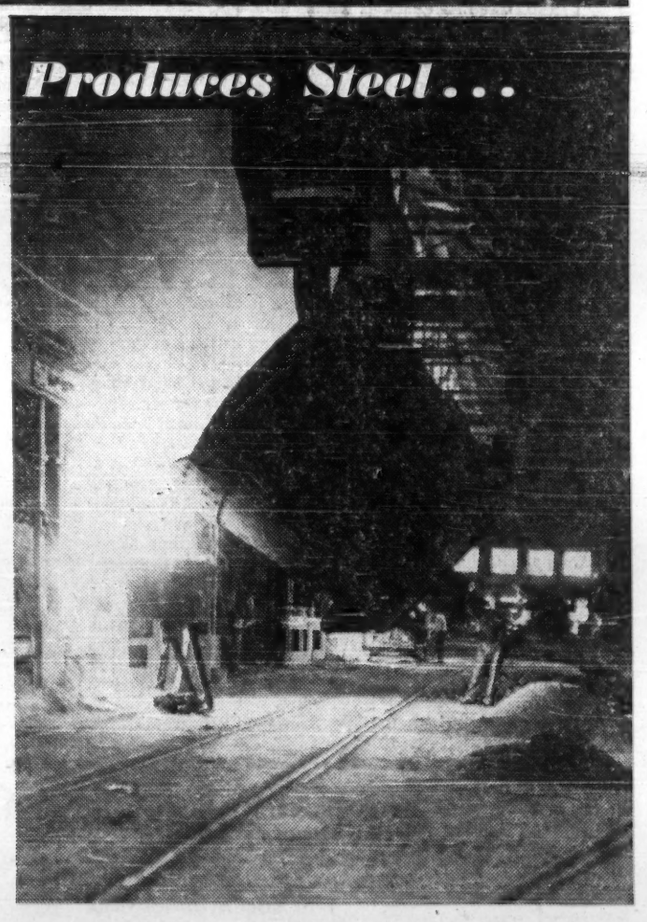
Vol. LIV | Member of Audit Bureau of Circulations | Publication Office: Toronto, September 24, 1960 | Twenty-five Cents an issue, Eight Dollars a Year | No. 39



COAL IN CANADA

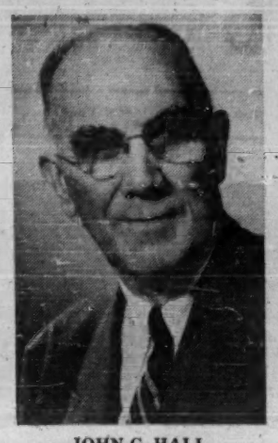


Long-term forecasts predict a bright future for the coal industry in Canada as in the rest of the world. Its enormous reserves dwarf those of other fossil fuels. But right now, the coal industry faces a critical period: how to keep mines in operation, transportation and storage equipment in shape until the better times come. Sometimes forgotten is the fact that coal is not only a fuel. Its more than 200,000 byproducts cover items in everyday life: plastics, synthetic fabrics, vitamins, insecticides, drugs, phonograph records, paint fertilizers and film. In this special section, FP reports on problems and outlook of Coal in Canada.



They Lead Coal Institute

K. C. CULHAM
President
Bituminous Coal Institute



JOHN G. HALL
Executive Vice-President
Bituminous Coal Institute

PETER KILLABY
Combustion Engineer
Bituminous Coal Institute

BCI Battles for Coal Markets Their Main Weapon...Facts

Give customers the facts about fuel economics. This is the main weapon in the fight to retain and boost markets for coal in Canada.

This is one of the main jobs of the Bituminous Coal Institute of Canada, familiarly known as B.C.I.

The Institute was formed in January, 1957 for the express purpose of making available to industrial, commercial and institutional and other consumers an authoritative source of information on fuels of all types, from practical standpoint of their application to the production of steam.

It was recognized from the beginning that the whole purpose of B.C.I. would be defeated if it dealt in propaganda rather than straight facts.

President is K. C. Culham, president of the Canadian Commercial Coal Dock Operators Association and also president of the **Empire-Hanna Coal Division** of **The M. A. Hanna Co.**

Work of the Institute is directed by two highly qualified professional engineers, each with years of experience in coal and heating.

They are:

John G. Hall, M.E.I.C., P.Eng. well-known in the field of combustion engineering, who is executive vice-president, and,

Peter Killaby, M.E.I.C., P.Eng., with extensive experience in steam plant operations, who is combustion engineer.

They are supported by a board of directors made up of representatives of large bituminous coal distributors in Ontario. These companies have a common interest in the handling and sale of coal, particularly at Canadian docks which are located on the shores of the Great Lakes and the St. Lawrence River.

The Institute recognizes that there is a need, in this expanding country of ours to use all sources of energy and that individual circumstances will dictate the proper selection of fuel in each specific instance.

The Institute, however, is dedicated to the single task of ensuring that the true facts are known to all businessmen who may at any time be interested in or responsible for selecting the type of fuel for their operation.

In this way a decision can be made — to quote the B.C.I. — "without influence of flowery claims of modern fuels."

Those who turn to B.C.I. for accurate information on comparative fuel costs and the suitability of various fuels in specified power and heating plant operations include: Architects, consulting and plant engineers, industrial managers, municipal and provincial officials.

Every aspect of a problem is dealt with carefully.

Efficiency figures are checked and only after an exhaustive examination does B.C.I. come up with a recommendation.

A new phase in B.C.I.'s work is air pollution.

Explained combustion engineer Killaby: "We give advice and co-operation to the province, to municipalities and industry on air pollution.

"Our knowledge of the causes of air pollution by coal smoke — equipment, fuel or operation — is helping to eradicate this menace to health and property."

One of the results of B.C.I.'s quick, efficient work has been a noticeable change in the attitude of the consumers toward coal. This has been brought about by the spread of accurate information as to its economic value in many applications.

This has been done by advertising, by direct mail and by personal contacts.

"We hope our many coal salesmen will redouble their efforts to point out our basic facts: Where costs count, coal is the fuel," says Hall.

In addition to information supplied by its regular staff, B.C.I. has vast files of information gathered from nation-wide experience of combustion and service engineers in the bituminous coal industry over the years.

"This information," adds Hall, "is strictly factual and has been an important influence in enabling fuel consumers to reach sound decisions regarding fuel use."

B.C.I. also has available data from its U. S. counterpart which enables it to pass on valuable ideas to Canadian customers.

If you want the facts on fuel economics, note this address:

Bituminous Coal Institute, Suite 818, 159 Bay St., Toronto, Ont.

Executive vice-president John Hall or his deputy, Peter Killaby could have the right answers for you.

They Support B.C.I.

These Canadian coal companies support the Bituminous Coal Institute of Canada in its important task of winning customers in the face of strong competition from oil and gas:

Amherst Fuel & Supply Co., Amherstberg, Ont.
C. L. Amos Coal Co. (Canada), Montreal.
S. Anglin Co., Kingston, Ont.
Canada Coal Corp., Toronto.
Confederation Coal & Coke Ltd., Windsor, Ont.
Dalton Fuels Ltd., London, Ont.
Empire-Hanna Coal Division, The M. A. Hanna Co., Toronto.
Imperialle Fuels Ltd., London, Ont.
Industrial Docks & Supplies Ltd., Thorold, Ont.
Kingsville Coal & Dock Co., Kingsville, Ont.
The Lake Erie Coal Co., Walkerville, Ont.
McLaughlin Coal & Supplies Ltd., Oshawa, Ont.
Myers Coal Co., Hamilton, Ont.
B. W. Powers & Son Ltd., Trenton, Ont.
W. B. Reynolds Coal Co., Brockville, Ont.
James Richardson & Sons Ltd., Kingston, Ont.
Rochester & Pittsburg Coal Co. (Canada), Toronto.
Toronto Fuels Ltd., Toronto.
The Valley Camp Coal Co. of Canada, Toronto, Ont.
Weaver Coal Co., Toronto.

'Buy Coal, Cut Costs'

Where costs count, coal is the fuel.

That was the selling point of a recent series of advertisements run by the Bituminous Coal Institute of Canada.

The Institute gave facts, figures and names to back their claim.

What they said has wide interest for businessmen:

When the management of **Artex Woollen Mills Ltd.**, Hespeler, Ont., asked for a cost comparison of competitive fuels, plant superintendent Fred J. Higgins came up with a figure of $10,000 savings with coal over other fuels available.

R. Clarenbach, Artex's general manager commented: "In the marginal profit-or-loss position which the Canadian woollen industry finds itself today savings of $10,000 in overhead are immensely important."

After six-month cost on fuel comparison, E. J. Atkin president, **Atkins Flowers Ltd.**, the largest flower propagators in Canada with a sprawling network of hothouses at Leamington, Ont., asserted:

- **Gas cost 90% more** than coal.
- **No apparent efficiency difference** between coal and gas as a fuel.
- **Since we require a full-time watchman-fireman** (for either gas or coal)-labor savings were incidental.

The 400-bed Greater Niagara General Hospital burns coal to save $8,000 a year over the cost of other fuels.

James C. McElnay, the hospital's chief engineer, said: "Now that coal handling has been made 'hospital clean', one operator handles effortlessly the entire job from coal chute to ash removal."

Another advertisement claims that over 400 apartment owners in Metropolitan Toronto have bought coal-burning equipment in the last two years.

B.C.I. says they chose coal:

- **To save** money.
- **For cleanliness.**
- **For convenience.**
- **Because coal requires** no more manpower.

Where taxpayers' or shareholders' dollars are involved fuel costs become a serious consideration, states another advertisement.

Tests made by the Scarborough, Ont., Board of Education "prove coal saves 22% over oil and 45% over gas."

Another B.C.I. advertisement pointed to the way coal may fuel the future.

Central, or district, heating of big buildings, shopping plazas, even towns and cities from one central boiler plant is becoming more popular because of low cost of operation.

B.C.I. said these operations have central heating:

- **A major portion of London, Ont.** downtown business district.
- **Lawrence Plaza,** the 38-store Toronto shopping centre.
- **The 1,600 - room** Royal York Hotel.
- **The Toronto General,** Sick Children's and the Mount Sinai group of hospitals.
- **Toronto's vast university.**

Coal is being specified for thousands of other commercial and industrial buildings right across Canada, says B.C.I.

Board Looks Ahead

OTTAWA (Staff) — During the current fiscal year, the Dominion Coal Board will administer more than $17 million in federal funds devoted to maintaining and promoting the coal industry.

It's a job the board has been doing under its present name since 1947. But the history of government involvement in the fortunes of the Canadian coal industry goes back to Confederation in 1867.

Although the coal board has a variety of duties and responsibilities, its main job is administering freight rate subsidies—called subventions —on coal movements.

The basic subvention policy, subscribed to by Canadian governments since 1925, is simply within prescribed limits to pay enough of the transportation costs from mining areas to make Canadian coal competitive with imported coal in the principal consuming regions — Ontario and Quebec.

In the last fiscal year for which final figures have been published, Nova Scotia collected the most, $8.3 million.

New Brunswick coal shipments were subsidized to the tune of $161,768; Saskatchewan $191,238, Crowsnest Pass (both Alberta and British Columbia sections) $474,488; Alberta-B.C. exports to Japan $100,488.

By the end of this fiscal year, next March 31, cumulative costs of coal subventions since 1927 will be about $150 million.

Aggregate tonnage moved may amount to between 75 million and 85 million tons.

Chairman of the board since its establishment, as successor to the old Dominion Fuel Board, is Nova Scotian W. E. Uren.

He says coal's fortunes appear to be about as bad as they can get right now and predicts they'll stay this way for two or three more years.

Then they should start to improve, aided by an expected increase in coal consumption in steam power plants.

Since Jan. 31, 1958, the board has been active in the promotion of this use of coal, by administering the Atlantic Provinces Power Development Act.

The act fixed for five years from Dec. 1, 1957, a subvention rate based on heating quality of coal used for thermal power generation in New Brunswick and Nova Scotia.

The rate is 7.43c per million BTU for eastern Canadian coal consumed in either province in thermal production of electricity for industrial use.

Cost of the program in 1958-59 was nearly $1.7 million—the figure set aside for the current year for this board job.

Subventions on Alberta and B. C. coal moving to Pacific ports for shipment to Japan have during the last several years been designed to open a new market for Canadian coal in that Asiatic country.

If the Japanese steel industry finally decides that Canadian coal can effectively and economically be mixed with Australian coal for coking, then the market for Western Canada's coal in Japan could grow substantially.

This points up another aspect of the coal board's duties. It works closely with the fuels division of the federal Department of Mines and Technical Surveys to carry on coal research project, such as a study of Japan's coking coal requirements.

The fuels division itself has studied Australian coal shipped to Canada for this purpose through an arrangement made by the coal board with the Joint Coal Board of Australia.

Another important responsibility of the coal board is administration of mechanization loans to mine operators.

First enacted in 1949, the Maritime Coal Production Assistance Act was broadened in 1959 to include mines in any other part of Canada. Coal is mined in Nova Scotia, New Brunswick, Saskatchewan, Alberta and British Columbia.

The act authorizes the government, through the board, to lend up to two-

(Continued on page C-10)

YOU CAN SAVE UP TO 50% ON YOUR FUEL BILL

think what this can mean to your yearly profits . . .

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It costs you nothing to have an Empire-Hanna field representative investigate your heating and steam plant. If you aren't burning coal today you may be simply astounded at the savings you can make *burning* Empire-Hanna *coal the modern way.* Phone or write Empire-Hanna today and let us discuss your fuel problems. *We stand behind the product we sell.*

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COAL DIVISION

The M. A. Hanna Company

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Docks: Fort William, Midland, Point Edward, Windsor, Erieau, Port Stanley, Port Weller, Toronto, Oshawa, Little Current Hamilton, Cobourg, Prescott, Port Hope, Belleville, Gananoque, Brockville, Port Burwell.

EMPIRE HANNA COAL

Coal Industry Seeks Clear Map for Future

Canada's coal industry — both domestic and imported — is at a critical point.

For the longer term, there is a brighter picture in the vast reserves of coal and its increased use in power development, for steam production in big area heating and in the steel industry.

But that won't solve today's problem. Here are some of the basic facts considered by the Rand Royal Commission on Coal in its report on the industry — a report which the industry hopes will point the way toward some solutions.

By VINCE LUNNY

Coal in Canada needs a clear blueprint based on a realistic appraisal of its problems and prospects.

It is hoped by everyone concerned with coal that the government will develop such a blueprint—a sound, long-term policy — out of Hon. Ivan C. Rand's Royal Commission report.

In the postwar years Canadians have been prone to stick their heads in the sand and hope that the coal crisis would simply disappear.

Even subventions, subject to year-by-year review, do not afford any permanent solution in the artificial climate they create. And, particularly for Nova Scotia coal, they have reached a point where no worthwhile changes can be made without a major government policy decision.

That is why for the year ending March 31, 1961, the Dominion Coal Board recommended a continuation of 1958-59 rates.

Canada's coal industry is beset by complex problems of economics which include high-cost operations, unfortunate geographical location of mines far from the country's biggest coal markets and severe competition from other fuels.

This is what has been happening:

Canadian production in 1959 hit a 50-yr. low at 10.6 million tons against 11.6 million tons in 1958 and 13.2 million tons in 1957. There should be slight improvement this year but the fact remains that 10 yr. ago Canadian production was 19.1 million tons, nearly double the amount mined in 1959.

Imports have shrunk even faster, due largely to competition from oil and gas in the big energy-consuming markets of central Canada.

In 1948 Canadian imports of coal were more than 30 million tons. In 1959 they were 13.6 million tons, lowest since 1939 when 13.9 million tons were imported.

Total consumption is running about 25 million tons a year, off 10 million tons since 1957, and down nearly 50% from the all-time high of 47.7 million in 1948.

Looking ahead, the coal industry says future demand for coking coal and the opening of important new thermal power generating plants should provide the basis for a healthy upturn.

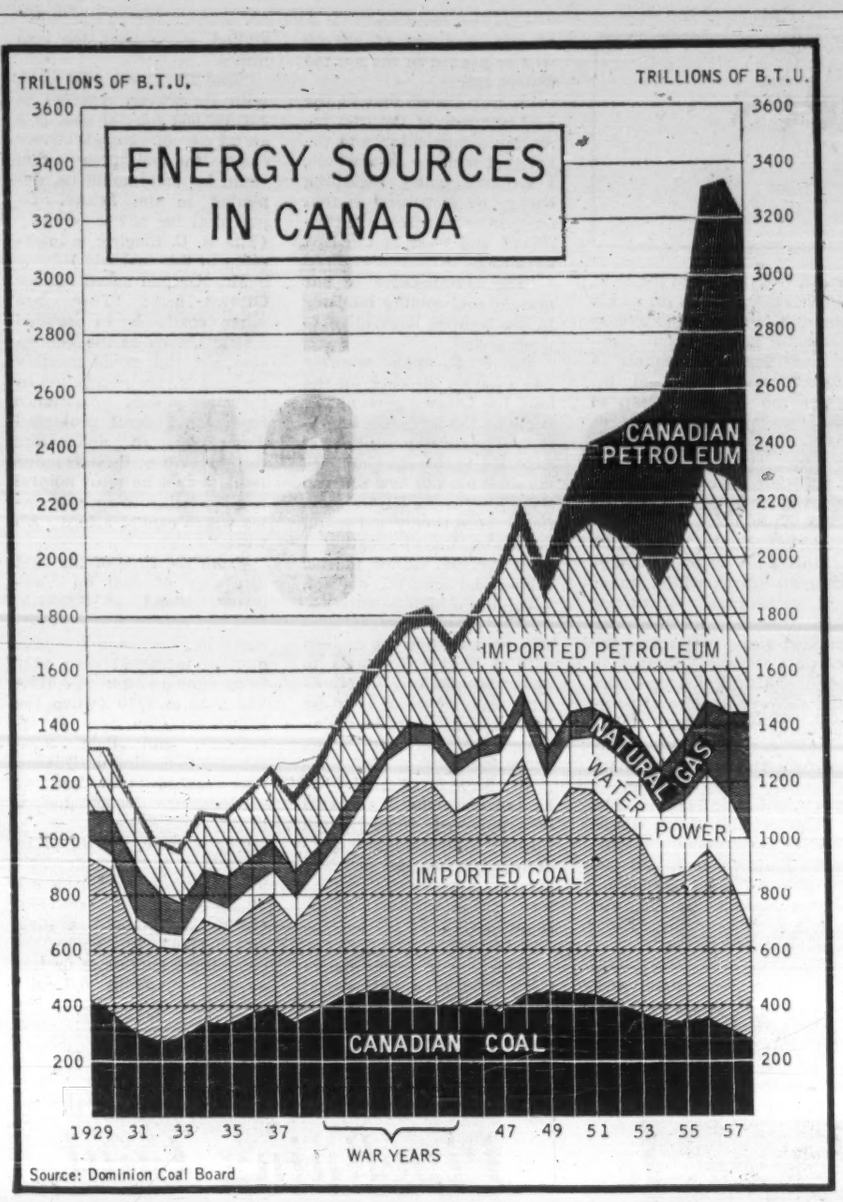
But, as the Coal Board points out in its latest report, optimism regarding future energy requirements is not automatically applicable to coal.

Coal slipped more than any other source of energy in 1958, continuing an uninterrupted downtrend since 1942.

In that year coal and coke provided 68.1% of Canada's energy supply. In the next 17 yr. coal's annual rate of decline averaged 2.8% and the progressive year-to-year reduction left it with only 20% of the energy market in 1958.

In 1942 natural gas supplied 2.9% of Canada's total energy requirements, in 1958 it supplied 16.1% and this figure is growing rapidly.

Petroleum products supplied 21.1% of the total in 1942, 54.3% in 1958. Hydro-electric power accounted for 7.9% in 1942, nearly 10% in 1958.



Source: Dominion Coal Board

In the last coal year Ontario's purchases of Saskatchewan lignite dropped about 75,000 tons, largely the result of the capture by natural gas of a traditional coal market in the pulp and paper industry in northwestern Ontario.

Further west, the near-term situation in the Alberta and British Columbia bituminous fields is not bright.

Only the contract to ship some 540,000 tons of coking coal to Japan in the year ending March 31 has enabled the industry to remain on even keel.

On the brighter side, members of the Coal Board feel electric power ultimately will have to be generated in southwestern Alberta from local bituminous and semi-anthracite coals.

The Coal Operators' Association of Western Canada say the coals of Lethbridge and the Canmore and Crowsnest Pass areas are particularly well located for thermal power use. **Available hydro sites in the regions,** except for peaking purposes, have been exhausted.

Another major market probably will be created with the growth of metallurgical operations in Alberta and British Columbia. Reserves of coking coal in the mountains of Alberta and southeastern British Columbia are the largest on the continent west of the Mississippi river.

The mood in western coal mining districts is more optimistic than in the Maritimes.

"The western mines have taken the worst of their beating and are beginning to see rays of hope in a shaken down and readjusted industry," said W. E. Uren, chairman of the Coal Board.

"Virtually all the industry's troubles in the West can be attributed to oil and gas, the resources which are bringing the western communities vastly increased wealth and numerous employment opportunities.

"A community does not feel too badly if it loses a few dollars from its coal mining pocket while thousands of new dollars are pouring into other pockets."

Although not a coal-producing province, Ontario is vitally concerned with any policy that affects supplies and prices of coal in central Canada.

- **It used in 1959 some 12 million tons,** down from 17 million in 1957, about half Canada's total consumption.
- **Nearly 11 millions were imported** from the U. S.

In a brief to the Borden Commission, Ontario took cognizance of the desirability of assisting national coal production but cautioned:

"We must recognize that transportation and other subsidies as well as tariffs on the importation of coal impose an additional cost burden on industries and consumers in Ontario," the brief said.

"And since Ontario consumes about 80% of all coal imported from U. S. and contributes substantially to federal revenues, we would be remiss if we did not make a reference to these costs and the importance of keeping our industry in a competitive position.

"If Ontario's industry is to be competitive with that of foreign countries, we must have low-cost energy."

Ontario government believes industrial requirements, particularly in steel and other metallurgical industries, are likely to demand increased coal supplies.

Also by 1970 about half the electricity produced will be generated by coal and nuclear thermal stations.

Thus, says Ontario, while the relative position of coal in the total energy picture may be expected to decline, a continuing supply will be required by the province to maintain satisfactory economic growth.

Dominion Steel & Coal Corp., the big Maritime producer, says potential demand by Ontario's thermal electric stations provide the greatest hope for the Nova Scotia coal industry.

"Expected Ontario demand (Continued on page C-10)

U. S. Coal Big Factor

Imports of U. S. bituminous coal have represented more than 50% of Canadian consumption in the past 30 years. In line with the consumption trend, they have dropped from a peak of 25.8 million tons in 1948 to 12 million in 1959. Because of type, quality and price, U. S. bituminous coal will continue to represent a major factor in Canadian energy production.

Here is a special statement on the U. S. situation with respect to Canada, prepared by David L. Francis, treasurer of the National Coal Association, Washington, D.C., and president of Princess Coals Inc., Huntington, W. Va., an exporter to Canada.

By DAVID L. FRANCIS,
President, Princess Coals, Huntington, West Virginia

To the American coal operator serving Canadian markets, this observation by the Royal Commission on Energy, in its report of July 1959, is of special significance:

"Low cost energy has been and will remain a vital factor in the Canadian economy."

With this assurance, the U. S. coal producer, and the Canadian dock operator and transporter can perhaps look forward to a resurgence of business activity.

Through a dynamic mechanization program, the American coal industry has geared itself to economical and efficient production of over one-half billion tons per year of low-cost energy.

Supply lines in both countries have been established and organized with heavy capital expenditures for dock handling, storage, rail and vessel movement of coals to serve Canadian markets efficiently.

However, imported fuel oil in the eastern provinces, natural gas in the West (and now in the East), and hydro power all over Canada have taken their toll on both Canadian and U. S. coals.

All of these factors plus the Dominion's efforts to protect its local industries and develop its own natural resources by subsidies and subventions have dimmed the prospects of American producers regaining lost Canadian markets. While there is no challenging a government's right to use whatever protective devices are necessary to safeguard domestic industry, it may very well prove entirely impractical as energy requirements increase with growing population and rising industrial activity.

In addition, such practices could sever an energy supply line that is vital to the general welfare and the national activity of Canada.

Large tonnages of U. S. coal have moved into Canada's homes and industries for the past half century.

Without this source of energy, the industrial might of Canada could not have achieved its present stature, for Canada's own coal production of necessity had to be supplemented as energy requirements spiraled upward.

A lusty railroad business developed in both Canada and the U. S. through this international trade. Expansion of Great Lakes shipping and dock operations was also a natural outgrowth.

Two world wars have established American coal as a source of fuel security for Canada.

In 1915, the first full year of conflict during World War I, 8½ million tons of bituminous coal moved from the U. S. to Canada.

By 1918 that figure had almost doubled as the full industrial strength of the two countries was mobilized for the final Allied strike against the enemy.

The figure fluctuated between 7½ to 15 million tons annually for the next two decades, then began to rise sharply with the eruption of hostilities as Germany invaded Poland in September 1939.

In that year American exports to Canada were about nine million tons.

In 1944, the year that the Allies moved onto the Continent, exports rose to 24.4 million tons—a gain of 144%.

Through those crucial five

(Continued on Page C-6)

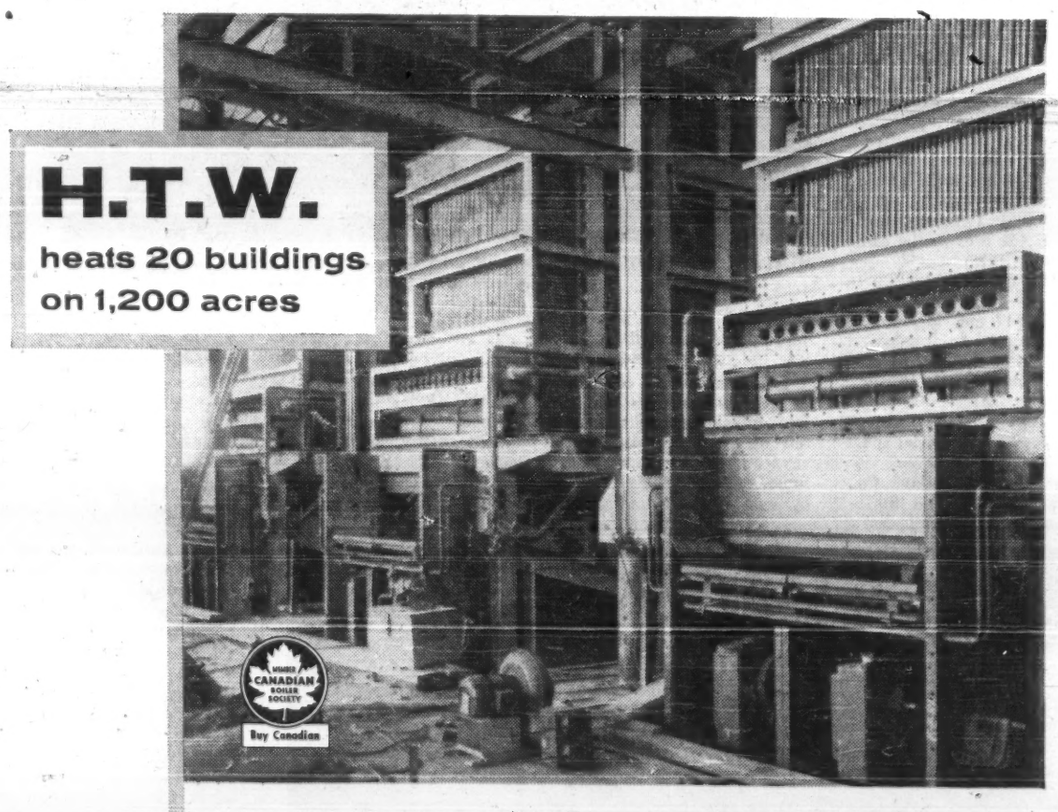
David L. Francis

David L. Francis is well qualified to present the views of U. S. coal producers.

He is president of a large coal producing firm, Princess Coals, Inc., Huntington, W. Va., and treasurer and a director of the National Coal Association, Washington, D.C.

Francis is also a director of the Chamber of Commerce of the United States, and chairman of this organization's Natural Resources Committee. He holds office in several other business organizations and is mayor of Huntington.

He has a bachelor of arts degree from Yale University and a master's degree from Harvard.



At the Central Experimental Farm Ottawa three Dominion Bridge 30,000,000 btu *high temperature water* boilers have been installed to satisfy the varied heating requirements of twenty buildings spread over some 1,200 acres. The installation provides for space heating and domestic hot water, and low pressure steam for a large number of special applications such as air-conditioning, autoclaves, sterilizers, pressure cookers, laboratory outlets, etc.

Each boiler is equipped with a fully water-cooled Vibra-grate stoker designed to burn Canadian bituminous coal and provision is made for alternative oil firing. The system is pressurized by nitrogen in an expansion tank and the water temperature is maintained at 366°F. Consulting Engineers were Wiggs, Walford, Frost and Lindsay, Montreal.

In applications of this kind, where heat must be distributed over a wide area, H.T.W. offers very definite advantages. These are evident in lower overall costs due largely to the absence of corrosion, the elimination of condensate traps and separators, and the fact that mains pipes may be laid without regard for levels or grades. Because of the high thermal storage of the system a smaller capacity plant is possible, an advantage that reduces fluctuation in the firing rate to give better overall efficiency. Capital costs are comparable with H.P.S. installations.

Dominion Bridge designs and manufactures watertube and firetube boilers for a wide variety of applications. A call to the Boiler Products Division at any of its offices across the country will put their long experience at your service.

Boiler Products Division **DOMINION BRIDGE**

DOMINION BRIDGE COMPANY LIMITED - FIFTEEN PLANTS COAST-TO-COAST

Coal in the Provinces

British Columbia

By JAMES K. NESBITT

VICTORIA — British Columbia's once rich and employment-giving coal industry, on which much of the province's original economy was founded, is now waging a desperate battle to get back some of its prosperity.

Its best hope is use of coal in competition with water power.

British Columbia is bursting with fat coal deposits, but nobody wants them.

Says deputy minister of mines P. J. Mulcahy: "It's just this bad — the present isn't good and the future doesn't look much better."

In recent months the once-booming and bustling Canadian **Colliers Ltd.** pulled out of the coal picture on Vancouver Island, throwing more than 100 men out of work. Half a dozen of the employees hurriedly organized the **Comox Coal Co.**, with 70 workers, and are frantically trying to stay in business.

If the sprawling Legislative Buildings in this capital turned from coal to oil for heat, the only Vancouver Island coal mine left in operation — the Tsable, now being worked by the new company, would probably be out of business.

The Provincial Government still uses coal to heat its public buildings as a sort of subsidy to the coal industry.

The **Crows' Nest Pass Coal Co.**, on whose operations depend the town of Fernie, on the B. C.-Alberta border, is being stimulated at the moment by a Japanese contract for coking coal, for a steel industry in Japan, and even to keep this going the Federal government is subsidizing Crows' Nest at the rate of $4.50 per ton.

The **United States Steel Corp.** has an option on Crows' Nest for 10 years, for $17 million, because here is the only source of good coking coal in the Pacific Northwest, including the U. S.

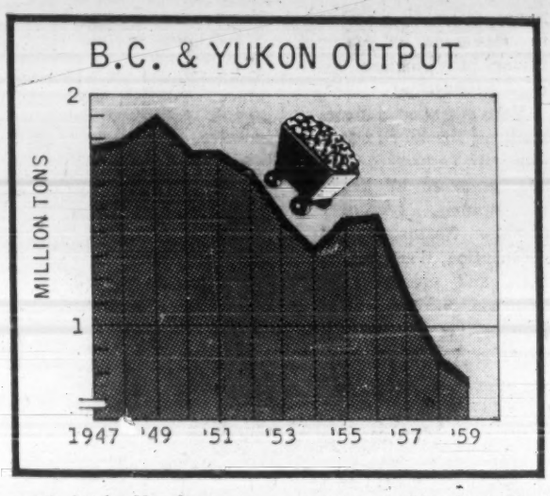
Last year Crows' Nest had a net profit of $378,400, down $104,501 from the year before, earnings per share being 61c compared with 78c in 1958.

Here are some significant figures, pointing up the grim picture: Vancouver Island coal production in July of this year, 5,051 tons, compared with 11,451 tons in the same month of 1959.

Entire B. C. production in July, however, went up — from 34,947 tons a year ago to 64,329 tons in this year's July, mostly due to the Japanese contract at Crows' Nest.

Vancouver Island received its first great industrial spurt from coal.

The **Hudson's Bay Co.**, which then controlled the Island in a benign dictatorship, in the early 1850's sent miners out from Scotland, to work the mines at Fort Rupert, on the far northeast coast, and among them was Robert Dunsmuir, who, one day, roaming through the woods in the Nanaimo area, discovered a new seam of coal.



Almost overnight he was catapulted to great wealth and influence. He was western Canada's first tycoon. The present city of Nanaimo was founded on coal, and so was the town of Ladysmith.

Today few of the residents of these places know what a coal miner looks like, and few of the young people, if any, have seen coal, and junior has missed a great deal by not having among his chores, if he has any at all today, the hauling in of two or three buckets of coal every day for the kitchen range and the pot-bellied stove in the hall.

Dunsmuir, a hard worker, a man of ambition and vision, soon became Nanaimo's No. 1 citizen. He built the Esquimalt and Nanaimo Railway, now a CPR subsidiary, and a fleet of ships to carry his coal to San Francisco, and he sent his younger son Alexander to California to run the business, and after this remarkable family of B. C. history was named the California town of Dunsmuir.

Robert Dunsmuir, to further his own interests, and because he saw a great future for the new country, and wanted to be in on the ground floor, was elected to the B. C. Legislature, and he set up his eight beautiful daughters as ladies of great fashion, married several of them off to British noblemen, and his elder son James, a man of great social consciousness, as well as wealth, became Premier (1900-02) and later Lieut.-governor (1906-09) of B. C., and died a multi-millionaire.

Robert Dunsmuir built, on a hilltop in Victoria, Craigdarroch Castle, which stands yet, a landmark of turrets and towers, marble and stained-glass, but, before the castle was ready, he died, in April of 1889, and a year later his widow, that shrewd Scottish woman, Joan Olive Dunsmuir moved into Craigdarroch and there she lived, in lonely widowhood, for 18 years, until her death in 1908.

The fortunes of this whole, vast, spectacular family, were built on coal, and one of Robert's great grandsons, James Audain, not long ago wrote a book entitled "From Coal Mine to Castle."

Typifying the tough days that have come upon coal mining in B. C. are two old-timers, Alec Holland, 72 and Tom Bryden, 69, who own a small mine in the Princeton area of the interior, and mine all the coal used by the Caribou Brewery at Princeton.

When coal mining was at its height, there were seven mines in this region, and 400 miners. Now there's one mine, two miners.

Holland and Bryden mine and crush 100 tons of coal a month.

"It's hard work for not too much money," says Holland, philosophically. "But it's better than lying around the house idle. I don't know what I'd do if I was idle."

Says George Schisler, Princeton trucking firm owner: "It's fantastic the amount of work they do. They walk into the mine every morning, and walk out again every afternoon, and that's a third of a day's work for most people. And they push those mine cars around by hand. You've really got to give them credit."

Hon. Kenneth Kiernan, B. C.'s Minister of Mines, told the Royal Commission on coal some months ago: "The increasing use of the competive fuels, oil, gas, and electricity, has resulted in the gradual closing down, one by one, of the producing mines of the province.

This in itself is regrettable on several counts. It is generally not economical to reopen them, and they bar access to virgin coal beyond, except through expensive shafts.

While the loss of the pits themselves is serious, the loss of working personnel is most serious. The men, on being laid off at the mines, find work elsewhere, and would not be available in the future. The training of young men for replacements is at a very low ebb."

Mr. Kiernan, being as optimistic as he could, looked into the future: "It is felt that, due to the rapid increase in our population, all of our resources of energy will be needed in the not too distant future.

"It is believed that in the best interests of the coal industry in particular, and the national welfare as a whole, a national policy regarding energy be instituted so that our power resources are conserved and used to the best advantage.

"The maintenance of our present coal mining industry is, we believe, imperative to these ends."

The B. C. mines minister had a pat on the back for the help the Ottawa government is giving the B. C. coal industry: "The subsidy on the coal exported to foreign countries via ships has put new life into the mines in the Crows' Nest field. This timely aid could be the means of creating a large overseas market for our coking coal from this district, which has a high potential.

"The present freight subsidy on coal from the eastern part of British Columbia to industrial markets in Manitoba and Ontario is most helpful, and should be maintained or increased when necessary."

Mr. Kiernan stressed what he considers the B. C. coal industry's only hope for the future: "Thermal power generation has not, as yet, had much application in the province, except for local power requirements of certain industries and mines.

"This type of power generation should be encouraged wherever feasible, as it can be highly competitive with other sources of power when the power plant can be installed at or near the coal mines.

"The Hat Creek coal field, with its proven reserves of 340,000,000 tons of coal is a source of comparatively cheap thermal power that could be, and should be, exploited in the future. Its potential for power is vast." (The B. C. Electric is interested in this coalfield.)

Mr. Kiernan asked further Ottawa help: "There are other coalfields in isolated districts, such as the Telkwa coalfield, that could possibly be used for the generation of thermal power. Assistance from the Federal geological department in delineating the reserves of these isolated fields would be most helpful to the small mining companies which cannot afford such work."

From the time of the first discovery of coal on Vancouver Island, at Suquash, coal has been mined continuously in B. C., and the production increased each year to an annual output of 3,515,944 tons in 1910 (when the Dunsmuir clan was at its richest), and then commenced to decline until it has now reached its all-time low — less than 750,000 tons a year.

The decline, in B. C. as elsewhere, has been due primarily to the increasing use of diesel fuel, oil, gas and electricity, competitive fuels which lend themselves to cleanliness and more or less automation. Ships and railways that at one time used coal exclusively are now either oil-fired or diesel-powered.

BRITISH COLUMBIA abounds with coal deposits but is having to wage a tough battle to maintain products and get new markets.

NEW MINE OPERATION

This is the shaft sinking operation of a new mine being explored by the Consolidated Mining and Smelting Company on its Wedge property in New Brunswick.

It marks a recent step-up of activity in the Bathurst-Newcastle base metal camp.

NEW BRUNSWICK
DEPARTMENT OF LANDS AND MINES

Hon. H. Graham Crocker, *Minister* — K. B. Brown, *Deputy Minister*

Pipelining Coal Cuts Down Costs

When W. C. Andrews was granted a U. S. patent on a coal pipeline in 1891, a skeptic suggested the line be looped in the form of a question mark.

There were still misgivings some 60 years later when the **Consolidation Coal Co.** and **Cleveland Electric Illumining Co.** announced plans for construction of a 108-mi. coal pipeline in Ohio.

Now in full commercial operation, the $13.5 million line carries coal from Georgetown in Belmont country's rich bituminous field to a generating plant in Eastlake on Lake Erie.

It is not the first commercially successful line but it is by far the most pretentious. The first one was built in London, Eng., in 1913 and was used until 1924 to transport coal 600 yd. from river barges to Hammersmith power station.

The builder, G. C. Bell, proposed construction of much longer pipelines to carry coal to London from the Midland fields. But this idea was rejected.

Today Russia is building her first coal pipeline. Located in the Lvov-Volyn area of the Ukraine, it will link a colliery with a power station. In France there is a seven mi. line from a coal-cleaning plant to a power plant.

Meanwhile Canadian coal producers and researchers are taking closer looks at pipelines.

Last year James A. Scott, president of **Foothills Products Pipe line Ltd.**, told a House of Commons committee in Ottawa:

"I think in the near future coal can be carried successfully to power plants by pipelines. And I think it would be economical."

Dr. C. Moreland, Research Council of Alberta, foresees three applications of pipelining to the movement of coal:

- **More installations similar** to the Ohio line.
- **Hydraulic transport of coal** with the mine.
- **Dry pipelining finely ground coal in a stream of air** or natural gas.

Tests have been carried out in Britain, Poland and Russia on pumping coal from mine face to pit head. Such installations often are associated with tests on hydraulic mining where coal is torn from the face by high pressure jets of water.

Interest in dry pipelining, according to Dr. Moreland, is based "on the fact that the amount of energy per cu. ft. of material in the pipeline is much greater for powdered coal than for natural gas alone."

Buried beneath the frost line, Consolidation Coal's Ohio carrier is expected to transport over 1.3 million tons a year. Engineers believe it will cut transportation costs by 35% or more than $1 annually.

To move an equivalent amount of coal by rail annually would require nearly 21,000 hopper cars. The rail tariff is $3.30 a ton from the Georgetown cleaning plant to the Eastlake power plant.

There are three main parts to a coal pipeline:

- Preparation plant.
- The pipeline itself and pumping stations.
- Dewatering and drying terminal.

At the entrance to the 10¾-in. steel pipeline in Ohio, specially prepared coal is crushed and mixed with water in equal parts. Approximately 80% of the coal is the fines from the coal-washing tables at Georgetown.

Water comes from a lake which contains a six-month supply and retains the surface water of a large area primarily owned by Consolidation Coal Co.

The resultant slurry is propelled by three pumps, one at the entry point, the other two at booster stations about 30 mi. apart along the route. It moves at about three mph, and time lapse from introduction to delivery is more than 30 hours.

Controls automatically bypass any booster station having a power failure and the preceding station is adjusted to carry the additional burden.

Pilot-line operation indicated no harm will be done if the pumps fail and velocity of the slurry drops to zero. It was found that even though the coal will drop to the bottom of the pipe it will not compact.

Increase in water velocity caused by partial blocking of pipe by the coal when flow is restarted is sufficient to turn the coal and water into a slurry.

According to Clarence A. Dauber, director of civil and mechanical engineering, Cleveland Electric Illumining Co., in calculating what the cost would be to ship coal by pipeline, 15-year amortization was used.

Savings should be greater than anticipated in original studies. All equipment is substantially oversize which should result in transportation of greater amounts than used in calculations.

Also a substantial portion of pipeline costs are fixed, in contrast to rail costs, and increases in labor component have less effect.

Dauber points out several other advantages and disadvantages of shipping coal by this method.

One of the advantages to the supplier is a long-term steady customer. **This allows him to plan mining operations better and to make use of cost-saving equipment.**

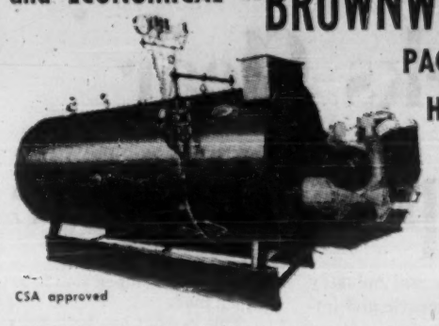
The disadvantage to the supplier is that he is furnishing a single consumer with a large portion of his product.

The receiver has the disadvantage of less competition by coal suppliers.

The contract required in

(Continued on page C-7)

SAFE • DEPENDABLE • TROUBLE FREE and ECONOMICAL "BROWNWELD" PACKAGED HEATING BOILER



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Since 1929 "Brownweld" Boilers have been acknowledged as the leader in the field of HEATING BOILERS, in Western Canada. Now, after lengthy research and careful designing, we proudly present the "BROWNWELD" PACKAGE BOILER. This "Brownweld" Boiler incorporates the INDUSTRIAL COMBUSTION INC. HEV-E-OIL and HEV-E-DUTY gas, and combination gas/light oil and gas/heavy oil burner models. WRITE FOR FREE CATALOGUE.

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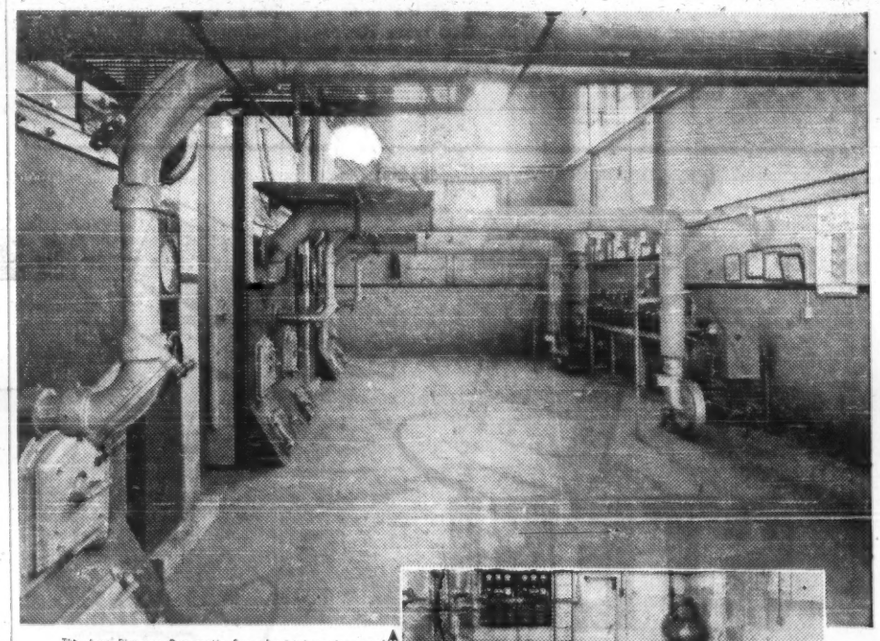

The Iron Fireman Pneumatic Spreader stoker pipes coal to the fire and sprays it over the fuel bed. It fires coal of almost any grade from lignite to the best bituminous, in sizes from ¼" slack to 2" top size. Coal bunkers can be located most anywhere, even two stories below the firing floor.

Iron Fireman underfeed stoker conveys coal directly from storage bin to boiler. Deep, radiant fuel bed is fed from below. Air is automatically adjusted to fuel feed rate and condition of the fuel bed, maintaining a clean, efficient fire.

Don't overlook the advantages of

AUTOMATIC COAL FIRING

What are these advantages?

1. In many areas coal is the most economical source of heat, producing from 15 to 50 per cent more heat per dollar than other fuels.

2. Iron Fireman stokers convey, dry, preheat and precisely meter low cost, small size coals of almost any grade. They convey the fuel from sealed bins directly to the fire, without additional handling.

3. Automatic controls accurately pace the fire to the load, keeping fuel and air in perfect balance.

You will be pleased at the precision, cleanliness and economy of modern Iron Fireman coal firing techniques. Not only do these automatic stokers cut hand labor, but they operate with such high efficiency that they will fire even the lowest and cheapest grades of coal—grades that are not suitable for hand firing.

For up-to-date information on modern Iron Fireman coal firing, please mail the coupon.

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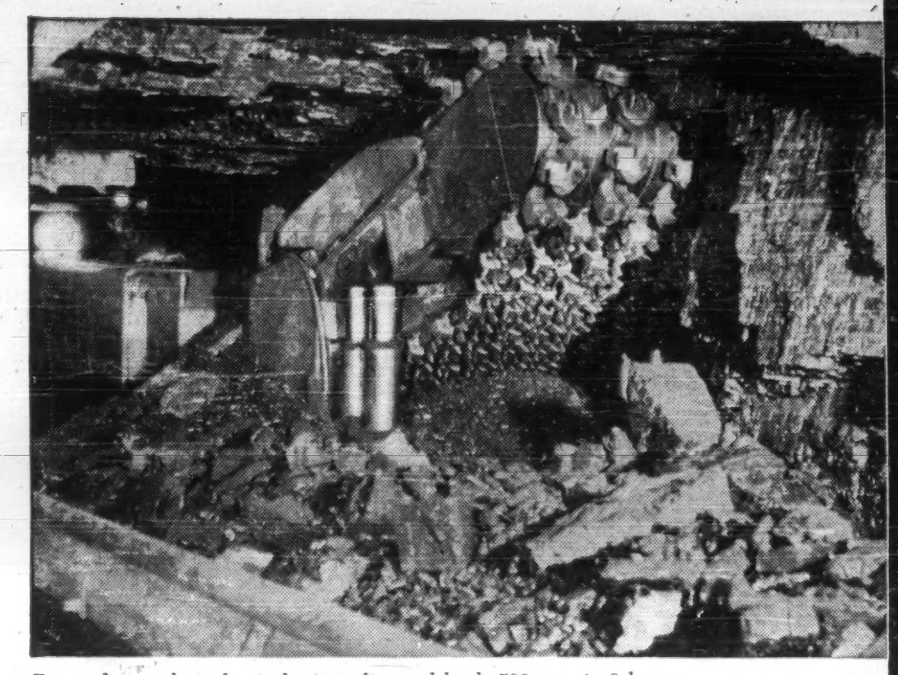
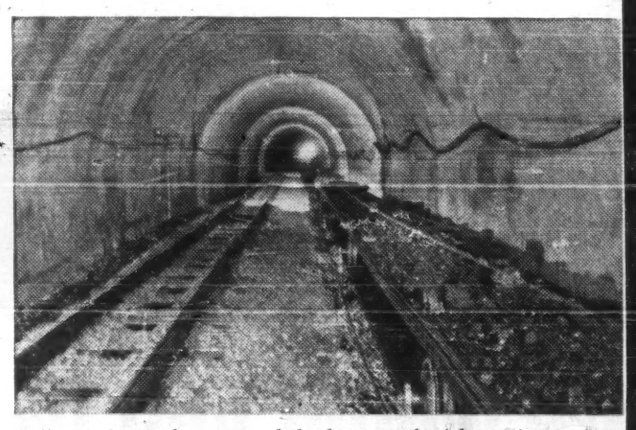
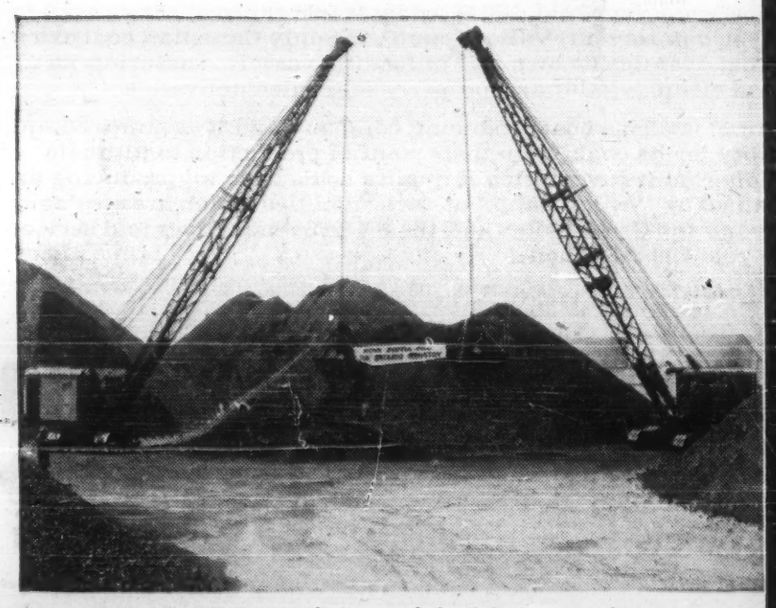


Dosco designed mechanical miner digs and loads 500 tons in 8 hours.



Fully mechanized conveyor belts bring coal to the surface.



Nova Scotia coal for Ontario industry, graded, washed, top quality.

Coal is still a major energy source

More than 9,000 Nova Scotia miners earn their living from it. Last year Dosco coal sales amounted to more than $50,000,000.

The success of the Nova Scotia coal producers' operations depends largely on their ability to sell Canadian industry, particularly the giant industries located in Quebec and Ontario.

Nova Scotia coal, which has been a major competitor in these markets for more than half a century, will continue to pursue an aggressive sales effort to obtain an even larger and richer share of this business. If it is successful in this pursuit, the future for Nova Scotia coal can be as bright as at any time in the past.

DOSCO

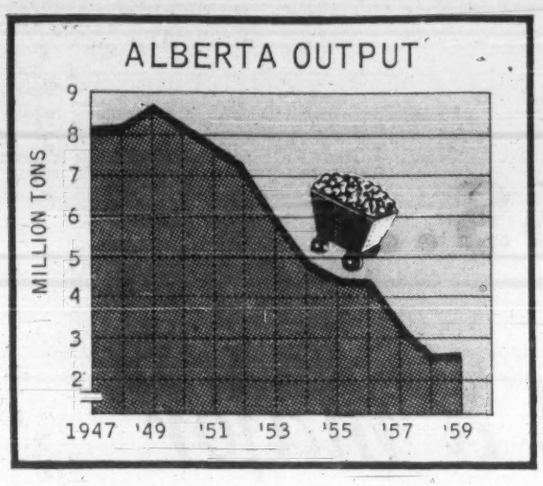
DOMINION STEEL AND COAL CORPORATION, LIMITED

Coal in the Provinces

Alberta

The coal outlook for Alberta is grim in the immediate future but the province's operators are not ready to throw in the towel.

They're caught in an economic squeeze — competition from natural gas and other fuels on one side, high cost of operations on the other. Another factor is shrinking markets at home.



Alberta's coal production this year to July 31 amounted to 1.04 million tons, a drop of 83,323 tons compared with the same period last year, according to the province's mines branch.

One coal official estimates that despite this drop Alberta will produce 2.5 million tons of coal, about the same as in 1959.

This production total includes 1.2 million tons of strip-mined coal and 1.3 million tons of underground coal.

What are coal operators doing to keep up a measure of solvency?

Their answer:

Efficient utilization and more efficient use of mining techniques.

Some firms, suffering dwindling profit margins, have had to revise their production operations on the formula of minimum cost geared to minimum market.

Production schedules are set on a per man-shift per day rather than per month basis as in previous years.

(Alberta coal firms average four to five tons per man-shift compared with 10-11 tons per man-shift in the U. S.)

Last year firms like **Lethbridge Collieries Ltd., West Canadian Collieries,** Blairmoore, and **Canmore Mines,** Canmore, dropped less than 1% on their profit margins for each marketable ton of coal produced.

Even cost trimming hasn't helped some firms. Canadian Collieries closed its Coalspur mine in Alberta due to lack of markets.

There are still 72 small and large firms operating in 25 Alberta coal mining areas. Of this number, 18 produce less than 5,000 tons per year and 22 produce less than 49,000 tons (Mines Branch, Ottawa).

Alberta's production of bituminous and sub-bituminous coal comes from 80 underground and strip mines which employ about 2,000 miners. The province's recoverable coal reserves are estimated 17 million tons. Of this total less than 15% is being tapped.

Alberta production figures for the last 10 years show that present production is nearly one quarter of the 8.8 million produced in 1946, the peak year.

Of the total coal production in the province, more than 80% is marketed in the four western provinces, some is shipped to Eastern Canada.

An estimated 35,000 tons is exported to the U. S. including Montana and Utah.

One bright spot in the export picture has been the increased tonnage to Japan, which is taking 540,000 tons of Alberta and British Columbia coal, most of it from the Crowsnest Pass field.

Alberta's share of this coal export is estimated at 300,000 tons, most of it metallurgical coal to produce the coke essential in making steel.

One reason for the increase in Alberta coal shipments to Japan has been the $4.50 a ton transportation subvention paid by the Canadian government. Last year, the Canadian government increased the maximum subvention by 50c, thus enabling western coal producers to compete with U. S. and Australia for the Japanese market.

At present it costs an Alberta coal operator $5.13 a ton to ship coal to Vancouver. Of this amount, the federal government pays $4.50, the operator pays the cost of loading and port charges.

Japan's purchase from Alberta also includes approximately 50,000 tons of semi-anthracite coal from Canmore Mines, near Banff.

Other firms shipping coal to Japan are **Coleman Collieries, West Canadian Collieries** and **Crow's Nest Pass Coal Co.** The three firms produce most of the 540,000 tons of bituminous coal from the Crowsnest Pass area in southeastern Alberta.

Most of the sub-bituminous coal is produced in the Drumheller area. Last year, **Amalgamated Coals Ltd., Century Coals Ltd., Red Deer Valley Coal Co.,** all of Calgary, **Murray Collieries, East Coulee, Midland Coal Mining Co.,** Drumheller, and others produced more than 500,000 tons of coal from this area.

What's in store for the future?

Coal producers concede there's no hope of recovering the domestic market, apart from a few isolated areas. Competition from other fuels has pretty well tied up this source of revenue they enjoyed in the thirties and forties.

Their main hope for the immediate future is to get a good chunk of the industrial market and increased export, particularly to Japan.

Operators say that with increased population and increased metallurgical industries forecast in the future, energy consumption will double by 1980.

"Coal, coke and power have been the mainstays in industrial growth of larger nations in the past," one coal official told **FP.** "There's no reason why Alberta coal will not provide the same impetus."

The same official traced the growth of the U. S. where most of the states still use coal in preference to other fuels in steam plants, according to the National (U. S.) Coal Association.

As to competition from gas and liquid fuels, coal producers state that prevailing escalation clauses in gas contracts will increase the price of gas.

This will reduce the gap between gas and coal prices and permit substantial rebuilding of the coal market in industrial heating and steam-raising fields.

Even now there are areas where coal is competitive with natural gas, a coal producer told **FP.** In the field of power generation, he said, strip coal is being produced at prices equivalent to natural gas at 12c per 1,000 cu. ft.

(**Calgary Power Ltd.** has already started construction of its power plant addition at Wabamum, about 60 mi. east of Edmonton. The site contains an estimated 80 million tons of coal. By 1962, Calgary Power plans to convert its 132,000 kw steam generating plant from natural gas to coal. When the 200,000 kw unit is installed, it is estimated that up to 800,000 tons of coal per year will be used.)

Other sources of industrial market for coal are cement and chemical plants.

With regard to increased export, Alberta coal operators are optimistic the province's huge coking coal reserves will be more in demand in the future. The Crowsnest Pass coal is considered to be of good coking quality and has the added advantage of having a very low sulphur content.

They forecast an increase in coke production for blast furnace operations, non-ferrous ore reduction processes and for foundry operations.

Likely market sources: the

(Continued on page C-7)

U.S.-Canada Operations

(Continued from Page C-3)

years, Canada's own production effort went from the 1939 output of 15.3 million tons to a high of 16.5 in 1942, then settled down to 15 million tons during the peak industrial effort in 1944.

Thus it was the U. S. coal that met Canada's increased energy requirements during World War II.

Throughout this market stimulation, the Canadian consumer received the same price protection that prevailed in the U. S. Maximum prices established under the U. S. Office of Price Administration applied to Canada, as well as in our own markets.

The cost advantages of U. S. coal have continued in recent years. Coal is sold at the mine today at approximately the same price that prevailed a decade ago.

Of equal importance to the Canadian consumer, there are adequate resources of U. S. coal in the regions serving the Dominion to last for centuries. The industry has made enormous investments in modern machinery and adopted methods to assure continued supply without substantial cost increases.

The coal research programs that have been initiated by the U. S. government and the coal industry will lead to great technological advantages which all can share. On July 7, President Eisenhower signed legislation to establish an office of coal research.

A month earlier the National Coal Association announced that an affiliate organization, Bituminous Coal Research, Inc., would spend $875,000 in building a central coal research laboratory near Pittsburgh.

Emphasis on research will not only provide an opportunity to develop more automatic, more efficient, and less costly burning equipment, but research also promises to create new uses for coal.

Canadian consumers will share equally in the American coal industry's economic progress provided the obstacles to coal's movement across the border are reduced or eliminated.

The aforementioned comment regarding a nation's prerogative in restricting imports competitive with domestic products should be qualified.

In the trend toward more liberal trade policies, nations engaged in international commerce have entered into a plethora of agreements facilitating trade exchange. In too many instances, these pacts have been circumvented through utilization of restricting devices other than tariffs and quotas.

The use of subventions to restrict coal imports while simultaneously assisting Canadian coal producers was described as follows by the **Dominion Coal Co.,** to the World Commission on Coal (1959):

> "The marketing of coal produced in Nova Scotia is assisted by the Federal Government through freight subvention to obtain markets in the Province of Quebec west of Levis and in the Province of Ontario. This was a policy introduced by the Federal government in 1928 and was adopted as a means of assisting the coal industry rather than increasing the tariff. Basically, the amount of assistance given is sufficient to meet the laid-down cost of American coal at the point of consumption in Quebec and Ontario up to certain maximum amounts. At the present time in Ontario the maximum subvention may amount to as much as $7.75 per ton."

Tariffs abroad have also hurt the U. S. coal industry. In January 1959 the West German government imposed a duty of $4.76 a ton on most coal imports. This prohibitive tariff negated the effect of an earlier action that had increased, to the satisfaction of United States shippers, a quota on coal.

Such subsidization of energy sources, already a costly problem, will become progressively more expensive to the Canadian government unless a drastic revision takes place. The cost of U. S. coal at dockside in Toronto is less than the cost of production in Nova Scotia.

Thus for Nova Scotia coal to be competitive with U. S. coal in this area, the entire transportation expense must be defrayed by the government.

The U. S. coal industry has been able, through continued increases in mining efficiency, to absorb its wage increases and higher supply and equipment costs without boosting the selling price of coal. It is hard to compete, however, when transportation costs are thrown against them as an economic roadblock.

Assuming that the Canadian government considers the subvention necessary to the economy of Nova Scotia, it is hoped that the emphasis be redirected to other sources of energy and not apply only to U. S. coal.

As an example, it would appear more logical to use the subvention against foreign oil, which has become increasingly competitive with Canadian coal in and east of Montreal, rather than continue subsidizing the coal freight for the additional 335 rail miles from Montreal to Toronto.

In addition to the economic advantages, such a program would not sacrifice U. S. coal supply in favor of foreign transoceanic oil that would be cut off in the event of an all-out war.

While U. S. coal does compete with coal produced in Nova Scotia, the strongest competitors for both U. S. and Canadian coal producers are oil, natural gas and hydro power.

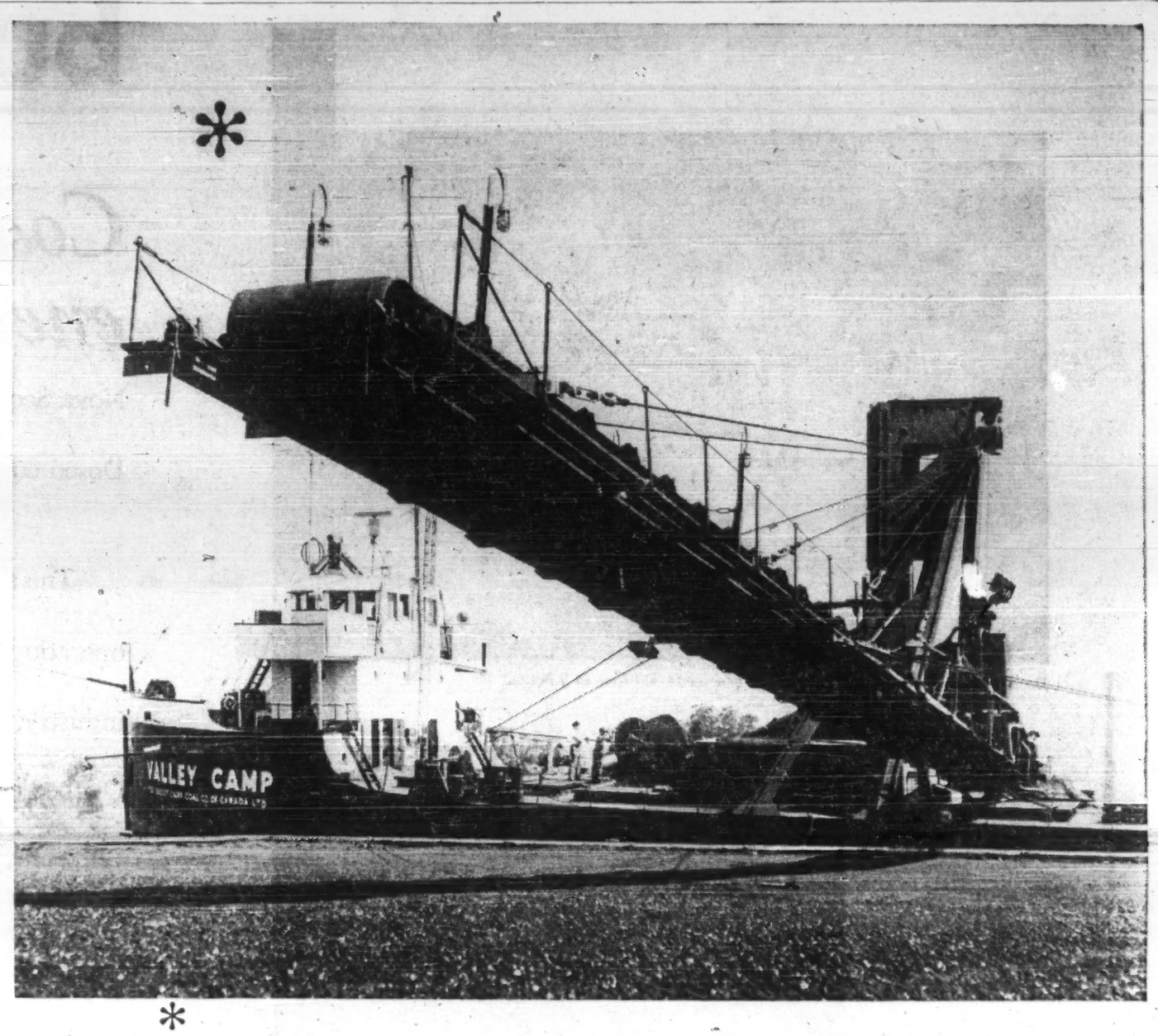
It would seem logical, therefore, that efforts designed to protect the Canadian coal industry might more effectively be directed at these competitive fuels, rather than at U. S. coal producers, and if losses to Canadian dock workers and others dependent upon movement of coal into Canada are also considered, the change in policy may come about more quickly.

An interesting discussion on subventions took place in the House of Commons on June 24 of this year. It was indicated at that time that the government is awaiting publication of the Rand report before determining the coal policy to be followed in the future.

If, as propounded by the Royal Commission on Energy, low-cost energy is to be a vital factor in the Canadian economy, then U. S. coal will certainly be imported in greater quantities by Dominion consumers.

It is hoped, therefore, that the present Canadian governmental subsidy policy on energy sources will be changed in the near future to allow American coal to participate in Canada's great industrial growth and at the same time regain the tonnages lost to imported oil, hydro power, etc.

Such action will be positive and healthy for the economy of both countries, and simultaneously help both the Canadian and U. S. coal industries.



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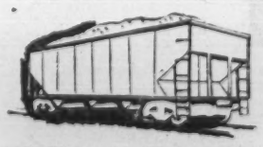
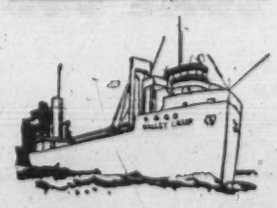


by rail



by water

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Coal in the Provinces

Saskatchewan

From Our Own Correspondent

SASKATOON — Saskatchewan's coal output will probably grow by about 1,000,000 tons a year for the next three years, but private company's aren't expected to benefit.

Development of the Saskatchewan Power Corporation's new power site at Estevan will be mainly responsible for the increased output, according to mineral resources officials.

There, the SPC will produce coal on its own lands.

Beyond this three-year mark there should be a general increase in production for private companies.

They will likely mark-time, simply maintaining production until that time, government officials predict.

Faced with competition from natural gas, coal companies have simply been able to hold markets for the last few years.

However, taking a long-range view, they are hoping Saskatchewan's coal future will follow a pattern evident in the U. S.

There, according to Deputy Resources Minister T. W. Cawley, after a period of marking time, there was an upswing in coal development as other fuels priced themselves out of the market.

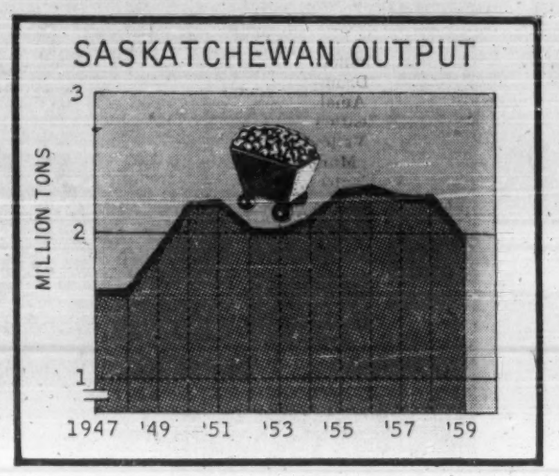
He saw for west central Canada a bright future for coal because of its availability and mining costs.

While Saskatchewan's strip mining costs are probably the most favorable in Canada, freight rates counter-balance the saving, Mr. Cawley pointed out. There is no subsidy on the westward movement of coal.

Saskatchewan's coal production has maintained a level of about 2,000,000 tons annually for several years, while the output has been declining in other provinces, according to A. A. Winer, of the Saskatchewan Research council in Saskatoon.

Essentially, he said, all the coal produced is for the generation of power in Saskatchewan and Manitoba.

"To share in the predicted increased need for energy and to meet the competition of other fuels, such as gas and oil, much research will be necessary," he noted.



One promising method for coal utilization is the low temperature carbonization of the coal, he said, with the main resulting products of char and tar.

Char is burned as a premium fuel and tar is sold and credited to the processing costs, he pointed out.

Only lignite is produced in Saskatchewan, chiefly from the Bienfait and Roche Percee fields in the Souris area.

About 57% of the output for 1959 was shipped to Manitoba and Ontario for industrial, commercial and household use; the rest, with the exception of a very small amount exported to the U. S., was distributed within the province for similar purposes.

Constant Research To Boost Markets

Research is a weapon of the coal industry in its battle with other fuels.

The industry, through establishment of its own national research agency, **Bituminous Coal Research Inc.,** Columbus 12, Ohio, has vigorously pursued an equipment development program since 1937.

Aim of this program is two-fold:

- **To increase the convenience of coal.**
- **To lower coal's cost relative** to other fuels.

Here are some of the latest developments:

▸ Package boilers.

The research agency has achieved complete automation with coal-burning equipment.

The coal-fired package boiler was first introduced to the commercial and industrial market in the winter of 1957-58, and its use has been growing rapidly.

The boiler is a substantially smaller unit than conventional stoker-boiler plants with the same output, BCR says.

One user with one of the smaller units reported an estimated saving over oil of $3,000 annually. At another installation, where three large units have been in service, savings are estimated at $27,000 annually.

The package boiler is designed for use with low-cost industrial stoker coal. It includes a vibrating or oscillating grate on which the fuel is burned, and a five-pass specially designed water-tube boiler.

Other elements for complete automation include induced and forced draft fans, mechanical ash removal device, and a central control panel. This causes all elements to respond in accordance with heating or process load demand.

The equipment is manufactured in six sizes ranging from 2.4 million Btu per hr. to 10.05 million Btu per hr. for hot water, and from 2,470 lb. to 10,350 lb. of steam per hr. for low-pressure steam installations.

The same six sizes are built for steam pressures up to 200 psi.

Bituminous Coal Research says the package boilers are suitable for providing automatic heating and low-cost coal operation for nurseries, schools, churches, and commercial and industrial buildings.

▸ Coal stoker.

To convert the many thousands of existing boilers to completely automatic coal burning, BCR developed a stoker that can be mounted to the side of an existing boiler and is readily adaptable for coal handling, combustion, and ash removal without manual attention.

The unit is more suitable to the smaller sizes of boiler, the research agency says. It has a maximum operating pressure of 15 psi. It comes in sizes from 50 lb. of coal per hr. to 1,200 lb. of coal per hr., and usable in multiple units for sizes larger than this.

▸ Storage and handling.

Automatic coal-burning equipment is useless unless coal handling is equally automatic. Discharge of coal from the storage vessel is an essential element in the coal-handling sequence. **Yet, the design of bins, bunkers, and silos for coal storage** is still in many instances based on rule-of-thumb methods that result in many stoppages, BCR says.

To determine the causes and possible cures for coal flow problems, the research agency has for several years been studying coal flow characteristics by means of laboratory apparatus and a full-scale coal storage silo.

The research agency says it has designed a cone that could lead to unassisted flow in bunkers under almost any conditions of size consist, moisture content, and intermittent operation.

The cone, located within the discharge section of the bin, permits uninterrupted flow through a 12-in. diameter opening using ¼ x 0 in. coal containing more than 15% moisture.

▸ Stack sprays.

The research agency says it has proved that the use of a properly installed, low-cost water spray, the soot blowing dust emission problem can be eliminated in most plants.

Improvements in coal preparation and utilization equipment have in many cases outrun the consumer concept of modern coal burning, BCR says.

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Benzene Market for Coke

Within a year Canadian production of benzene should soar from a position of short supply to immense over capacity.

For manufacturers of coke, this rapid supply change may mean difficulties or lower prices in marketing a by-product of coking — benzene.

Coke producers have been the major factor in the Canadian benzene field, turning out about nine million gallons a year.

The only crude oil refiner to make the chemical — **Canadian Oil Companies** at Sarnia, Ont. — produces about three million gallons a year.

Total consumption of benzene in Canada runs about 20 million gal., leaving about 8 million gallons to be imported from the U. S. and Europe.

This summer three refiners announced aromatic extraction units:

- **British American Oil Co. has awarded a $2.5 million contract to Foster Wheeler Ltd.** for enlargement of its Montreal East refinery. Completion is scheduled for next spring.

The process will use a "Udex" extraction unit, developed jointly by **Universal Oil Products** and **Dow Chemical Co.**

Benzene capacity will be about 6 million gallons.

Benzene will be supplied to the nearby B-A Shawinigan petrochemical plant. There it is converted to cumene, which in turn is converted to phenol and acetone, used by the plastics, resins and chemical industries.

- **Texaco Canada Ltd. is entering the petrochemical field with a $2 million plant at Port Credit, Ont.,** to produce benzene and toluene.

Canadian Bechtel Corp. is engineering the plant.

Project will include a low pressure catalytic reformer, a Udex extraction unit, storage and marine loading and other facilities.

Initial throughput will be 1,500 bbl. a day.

- **Imperial Oil Ltd. will build Canada's largest benzene plant at Sarnia.** To be completed by the fall of 1961, it will have a capacity of 30 million gal. of benzene a year.

Now in the final engineering stage, its cost is estimated at $5 million.

Imperial says output of the plant is already spoken for in its other operations, and by consumers in domestic and export markets.

Thus by the end of next year, Canadian benzene production may have jumped from about 12 million gal. a year to more than 50 million gal., valued at about $18 million.

Canadian consumption is not expected to rise much above 20 million gal. next year, but with a world shortage of benzene, the surplus capacity may not be too serious.

Heavy demand for benzene is one of the first major symptoms of the spread of American standards of living, says E. A. Taylor, assistant general manager of the **Steel Co. of Canada,** Hamilton, the nation's biggest single producer of coal chemicals.

It's used in the manufacture of:

- **Synthetic rubber. (Polymer Corp.,** Sarnia, is a big customer.)
- **Plastic resins.**
- **Synthetic fibres,** such as nylon.
- **Synthetic detergents.**

Canadian benzene price is governed by the U. S. price and our tariff of 1/3c gallon on the petroleum product. The U. S. price in turn has been influenced by substantial imports from the U.S.S.R. and other European countries.

The Canadian coke chemical industry — which sells about $12 million in products a year — is not so pleased with the market picture for other products of its coke ovens. These are toluene, xylene, naphthalene, ammonium sulphate and tar.

▸ Toluene, xylene and benzene are the aromatic oils derived from coke-oven light oil. Trade synonyms for the chemical trio are benzol, toluol and xylol.

Stelco refines some six million gallon yearly of the three from light oils it produces in its own ovens, or purchases from other firms with coke-ovens or from coal-tar distillers.

Because there is a surplus of toluene and xylene, chemists are working overtime to find an economical way to turn these cheaper chemicals into benzene or put them to the same uses as benzene.

Major consumer of the two chemicals in Canada is the paint and varnish industry. Toluene is also used as an octane booster for gasoline, and in the manufacture of dyestuffs and explosives. Xylene is used by makers of insecticides.

▸ **Naphthalene,** familiar for its use in mothballs, is a minor product of the coke ovens. Stelco makes only six carloads a year.

About 2.7 million gallon a year of toluol, xylol and naphthalene are produced in Canada.

▸ **Ammonium sulphate,** used largely for fertilizer, is sold by the coke industry at a loss, since it must be disposed of. It competes with many other products, with a high nitrogen content that are made at a comparatively low cost.

"We have been subsidizing the farmers for years," says Taylor.

Canadian coke-oven operators produce about 35,000 tons per year. Larger tonnages are produced by **Consolidated Mining and Smelting Co.** from its base metal smelter at Trail, B.C. Much of this output is destined for export.

The petroleum industry in the U. S. is also a heavy producer, adding to the surplus of ammonium sulphate.

▸ **Coal tar** is sold by the coke producers to four tar distillers. These are **Dominion Tar & Chemical Co.,** Montreal; **Barrett Co.,** Montreal; **Currie Products Ltd.,** Hamilton; and **Northern Tar & Chemical Co.,** Port Arthur, Ont.

Other major coke producers besides Stelco are **Algoma Steel Corp.,** Sault Ste. Marie; **Dominion Foundries and Steel Corp.,** Hamilton; and **Quebec Natural Gas Corp.,** Montreal.

The tar distillers use about 40 million gallon yearly, extracting such products as pitch for paving, roofing and industrial uses; creosote for wood preserving; naphthalene for phthalic resins and plasticizers; and tar acids and tar bases for further manufacture into hundreds of chemicals.

Supply and demand of coal tar are fairly well balanced, Taylor says.

"The rate at which the coal tar processing industry expands is related to the availability of coal tar."

Quebec Natural Gas is exceptional among coke producers in that the gas it produces is destined for limited domestic consumption. Most coal gas plants across Canada have shut down with the arrival of natural gas.

Coke from Quebec Natural Gas ovens is sold to foundries.

The other coke producers use both their coke and gas internally for the production of iron.

Stelco, for instance, consumes about 1.6 million tons of coal yearly to produce more than one million tons of coke, plus the gas and chemical co-products. The gas is used to heat the coke ovens, to assist in the firing of the blast furnaces and elsewhere in the steel-making operation.

Little gas is wasted by being burned off, Taylor says.

Expansion of the steel industry and its related coke production in recent years has compensated for the loss in production of coal tars with the shutdown of gas plants.

Stelco, for example, has replaced 80 coke ovens built in 1918 with 191 new ovens built since 1953. Capital investment on the ovens and coal-handling equipment was $16.5 million. Another $6.6 million has been invested in the coal chemicals plant.

Cut Costs By Piping

(Continued from page C-4)

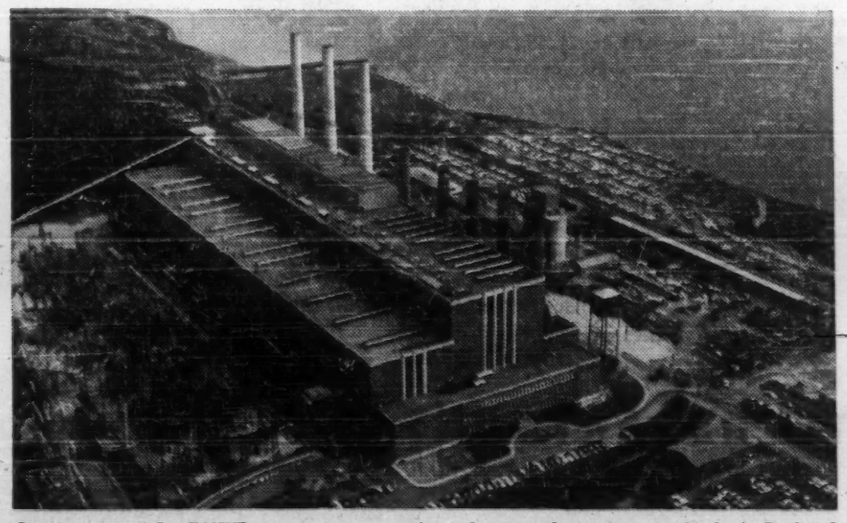
such a relationship is very complicated and must include a basis for adjusting costs and prices. Variables include labor, materials, supplies, taxes and insurance.

Dauber says although coal by pipeline will be expanded in the future, it will not serve all requirements.

- **Quantities transported must be large** to break even.
- **It would not pay to ship coal by pipeline to a central disposal point** and then by another method to other localities unless savings are much greater than for the Ohio system. Additional handling costs would offset any advantages.

"If normal transportation costs are proportional to the distance shipped, potential savings by pipeline will be greater since preparation and dewatering facilities are the same regardless of the length of the line.

"Only the line and pumping equipment would include increased costs," Dauber says.



COAL'S BEST MARKET are steam-generating plants such as Ontario Hydro's Richard L. Hearn station in Toronto.

Alberta Province

(Continued from page C-6)

San Francisco Bay area, Western Canada, and Japan.

Western Canadian producers are happy with the 500,000-ton-per-year coal order from Japan. They hope the order will be increased in the future.

As one coal official told FP: "Japan, despite a marked increase in her trade, still has trouble maintaining hard currency in some foreign countries. This year she has allocated some of her U. S. funds to buy our coal."

The official commends the Canadian government for helping the coal industry through subventions but he feels the export total may increase if the government would ease the money restriction that is apparently preventing Japan from buying more Canadian coal.

Continuing along the vein of optimism, The Coal Operators of Western Canada, state that coal has a bright future in Canada's economy.

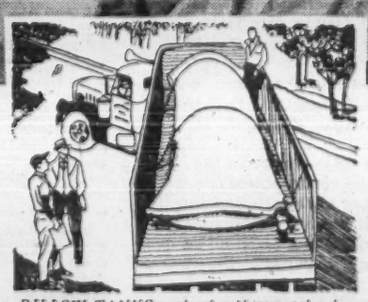
But in order to stay solvent, this group concedes the coal industry needs help, and soon.

DU PONT NYLON IN INDUSTRY

DU PONT NYLON CARRIES ORE

Every day, Du Pont nylon plays an increasing role in Canadian industry. Conveyor belting reinforced with Nylon (illustrated above) . . . filter fabrics . . . coated fabrics . . . reinforced fire hose . . . electrical insulation . . . paper machine clothing . . . industrial rope . . . tape and webbing . . . these are only a few of many industrial end uses in which nylon has made possible new design concepts.

Because of Du Pont nylon's unique combination of properties, Canadian business has come to associate it with efficiency as well as economy. Du Pont nylon can reduce problems and effect savings in your business! Investigate FIRST how nylon does the job best. For more information, write: Du Pont of Canada Limited, Textile Fibres Department, Box 660, Montreal.



PILLOW TANKS made of rubber coated nylon fabric are changing transport of liquid cargoes by truck. When empty, these convenient collapsible cylinders can be folded into a neat parcel to make room for dry loads.

NYLON ROPE, sturdy and lightweight, performs well and saves money in a variety of demanding roles — such as the sling for hoisting this heavy compressor impeller wheel.

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Coal in the Provinces

Nova Scotia

Nova Scotia, producing some 40% of the total Canadian output, depends to a great extent on coal for its economic welfare.

Nova Scotia production is down to just over four million tons a year from 6.4 million in 1950, reflecting a sharp decline in Canadian consumption.

The immediate outlook is not bright.

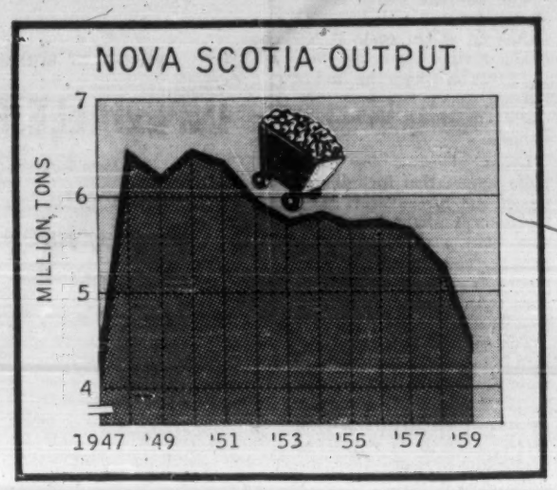
Competition from other fuels is increasing, even in coal-conscious Nova Scotia where oil is making serious inroads, and the major producer, **Dominion Steel & Coal Corp.**, wants to close three of its mines to avert bankruptcy.

Main trouble:

High production costs.

Annual maintenance costs of a mine, especially a Cape Breton submarine mine, are high. And they vary little in relation to output. Thus during the staggered layoffs in Nova Scotia, pithead cost of coal per ton increased.

Without subvention assistance, Cape Breton coal would be priced out of virtually all markets, except local ones in the Atlantic provinces.



Subvention payments on Nova Scotia coal in the year ended March 31 were $13.5 million, a record high.

They will be about the same in the current coal-year as the federal government extended the 1959-60 rate of payment to March 31, 1961.

There are widely held misconceptions regarding the real function of subventions in relation to Nova Scotia coal. As the Dominion Coal Board points out in its latest annual report, many people think of subventions as a means of equalizing transportation costs.

They assume that it costs a great deal more to ship Nova Scotia coal to Central Canadian markets than it costs to ship United States coal over a shorter haul to the same markets. This assumption is not correct.

Shipping costs of moving coal by water from Sydney to Montreal in the 1958-59 year averaged $3.08 a ton. Rail freight rates from Glace Bay to Montreal was $4.80 a ton.

During the same period, shipping costs on U. S. coal to Montreal averaged $5.66 a ton.

A major factor in the Nova Scotia coal problem is not the cost of transportation, but the high cost of production, administration, distribution and other expenses, the board says.

By the time a ton of Nova Scotia coal had left the mines in 1958, it had accumulated costs of $10.72, more than double the average selling price of $5.32 a ton, f.o.b. mines, for bituminous coal in West Virginia.

Cost in Canadian funds of laying down U. S. industrial coal at Lake Ontario docks in the heart of the Canadian central industrial region, ranges between $8 and $9 a ton, including all shipping charges and the duty of 50c a ton.

In other words the full cost of U. S. coal in Toronto is considerably less than the cost of Nova Scotia before it begins its long journey from the pithead.

"Coal subventions always have meant the amount of financial assistance necessary to make Canadian coal competitive with imported coal at the point of consumption — whether or not they were originally conceived as a means of equalizing transportation costs," says the board.

"Stated bluntly, in connection with Nova Scotia coal, they have come to mean the financial assistance necessary to compensate for high production costs."

Average output per man in deep-seam U. S. bituminous mines is about six tons a day. In Nova Scotia output per man is less than three tons a day because of severe operating conditions, especially in submarine mines, and the long journeys from pithead to working faces.

Dosco wants to close three mines which are high in cost and in which little can be done to bring about improvement.

They are Florence Colliery where indulations of pitch and stone made it impossible to use cutting-loading machinery; No. 16 Colliery at New Waterford because the seam is too low to permit the Dosco Miner to be used in its workings; and Dominion No. 4 in Glace Bay, where the coal is extremely high in ash and sulphur.

Dosco, which has sold $900 million worth of coal in the last 20 years "without making a dime," says its costs can be materially reduced if every mine which continues in operation is worked on a full-time basis at peak capacity.

Present capacity of all Dosco collieries is 5.5 million tons.

Company says this could be quickly developed to 6.5 million tons should the need arise.

Sales estimate for 1960: 4.3 million tons.

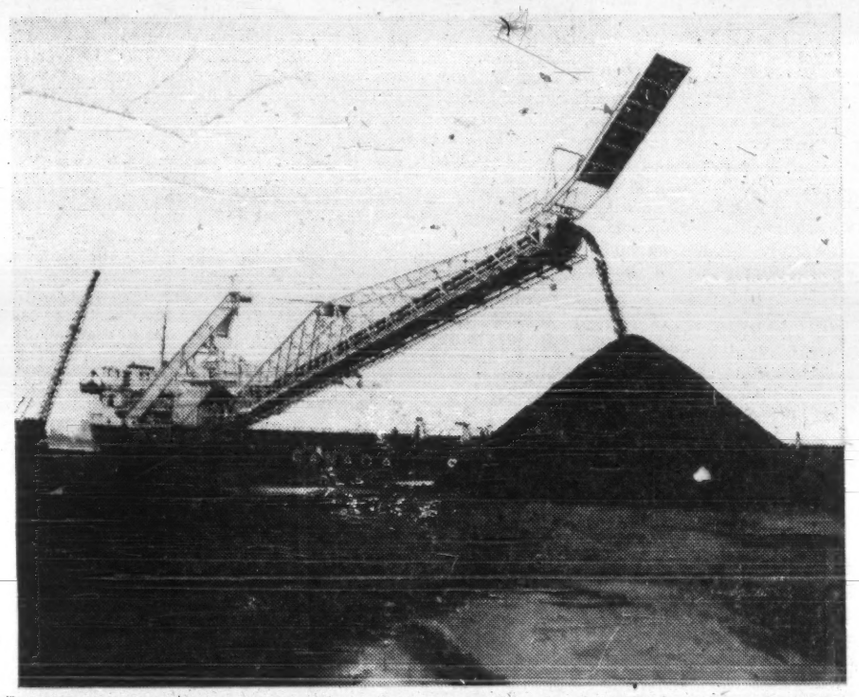
While coal remains a problem, there is realization now in Nova Scotia that declining markets for Cape Breton coal are a fact and there is going to have to be an adjustment within the industry, possibly even, as Dosco suggests, some mine closures.

In its brief to the Rand Commission, the Province of Nova Scotia said: "the need for additional job opportunities in the traditional coal mining areas of Nova Scotia makes clear the importance of encouraging new industries to provide diversification."

One bright spot:

The possibility of substantial demand for slack coal for production of thermal power in Ontario.

Ontario Hydro estimates its need for fuel will expand greatly in the next 10 years. Dosco says "if it can secure even a part of this market, it might well be the answer to the future of this industry."



THIS SELF-UNLOADING collier is capable of transferring 2,000 tons of coal per hour from bunkers to dock.

Company Reports

COLEMAN COLLIERIES LTD., Coleman, Alta., consolidated net operating income of $349,978 in the year ended June 30, 1960, was 16.3% lower than the $418,093 of the previous year.

Losses on coal mining operations for the 1960 fiscal year, before provision for depreciation and depletion, were $41,983 against a profit of $112,919 the previous year. Development cost of the Vicary Creek mine in the amount of $230,228 has been charged to operations and represents excess of expenditures over sums received from sale of development coal.

In addition, capital expenditures of $140,000 were made on development of the mine and installation of a jig for cleaning and drying coal. Company faces costs of over $750,000 in development-capital expenditures over the next three years if development of this mine is to be continued.

All underground mining operations are now confined to the Vicary mine, 12 miles north of Coleman. The McGillivray mine was closed in May, 1960.

Company has a further order of 100,000 long tons of coking coal for delivery to Japanese steel mills by March 31, 1961. Deliveries are on schedule. This order is in addition to one of 40,000 tons delivered last year.

Company's coal has to be sold in Japan, at a price equal to the lowest price for similar coal offered for sale in Russia, Formosa, Australia, Germany and the U. S. If shipments of Chinese coal to Japan were resumed, the price would be such that the company could not compete.

Company's future depends on sales in an export market in competition with countries having much lower wage scales. Gas competition has eliminated domestic sales. Company feels that by development of a new mine and introduction of modern mining machinery, it can lower the labor content of its product and therefore have a prospect of survival through exports.

Earnings after depreciation on general construction business amounted to $194,206 in the year ended June 30, 1960. This is up from $52,758 the year before.

COND. CONS. INCOME ACCOUNT

Years Ended June 30:	1960	1959
Net oper. inc.	$349,978	$418,093
Less:		
Loss asset sale	.....	29,184
Net Earning	349,978	388,909
Less: Deprec.	167,195	209,380
Depletion	25,033	21,779
Bond int.	157,750	157,750
Shares o/s at June 30:		
Class A, $1 par	210,000	210,000
Class B, $1 par	900,000	900,000

CONSOL. BALANCE SHEET

As at June 30:	1960	1959
Cash	$101,327	$3,955
Govt. bonds	68,154	...
Accts. rec.	353,029	327,161
Notes & loans rec.	803,092	1,004,364
Stores & mat.	21,252	51,884
Inventory	300,567	84,428
Total curr. assets	1,657,421	1,471,792
Prepaid chgs.	119,273	145,669
Note rec.	30,000	60,000
Inv. & adv. subsid.	118,680	118,680
Other invest.	194,104	61,133
Fixed assets	6,385,576	6,529,532
Life ins., c.s.v.	70,449	53,859
Total assets	8,565,503	8,440,785
Bank loan, sec.	310,000	151,667
Accts., etc., pay.	500,730	262,723
Total curr. liabs.	810,730	414,390
Deferred credits	13,063	18,147
Funded debt	6,310,000	6,310,000
Capital stock	1,110,000	1,110,000
Capital surplus	763,400	763,400
Less: Deficit	441,690	175,153
†After depr. & depl. of	2,485,585	2,099,857
Working capital	$846,691	1,057,403

Confused Stock Picture

The confused and far from satisfactory picture presented by the Canadian coal industry today is reflected to a degree in the mixed performance of the half-dozen companies whose stocks are traded on Canadian exchanges and shown in the accompanying table.

Price changes since a year ago in the stocks listed vary from a gain of 64% to a 53% loss. Yields range from nothing to more than 13% and price/earnings ratios from 7.1-to-one to 29.9-to-one.

Biggest market gain in the 12 months (63.6%) was made in the shares of **Hillcrest Collieries Ltd.**, a holding company which owns 94% of **Byron Creek Collieries** and through it controls **Coleman Collieries Ltd.**

In April, Hillcrest stock jumped from $2.50 to $3.75 following leasing by the two subsidiaries of their acreage in Alberta to **Pan American Petroleum, a Standard Oil of Indiana** subsidiary. Stock later rose to a mid-August high of $5.25.

The oil company paid $450,000 for the leases and granted the Hillcrest subsidiaries a 12½% royalty and a 37½% carried working interest in any production that might be obtained.

Drilling has started on the Byron holding, four miles away from a successful well put down by other operators.

Hillcrest has called a special meeting for Sept. 30 in Coleman, Alta., at which shareholders will be asked to approve sale of its assets to **Hillcrest Collieries Ltd.**, of Nassau, Bahamas.

One likely result of the move could be tax benefits on income company now gets from Coleman Collieries and may in future get from its interest in the prospective natural gas acreage of its subsidiaries.

As in recent years, highest yields are offered by **Great West Coal Co.**, whose A stock is currently selling at 11 times earnings in the fiscal year ended March 31, 1960, for a yield of 11.11%.

The B stock, selling at 7.1 times earnings, yields 13.16% on the basis of last year's dividend of 37½c a share. In the 1958 fiscal year, company paid 50c on its B stock. No class B dividends have been paid in the current year.

A modern tipple and complete new mine facilities are being installed near Estevan, Sask., at a cost of $1.6 million, to replace the Old Mac tipple destroyed by fire in January, 1959.

Economically mineable reserves at Great West's Taylorton site are expected to be exhausted by the end of 1960. Company intends to operate then only from the new mine.

Earnings on the A and B stock combined were equal to 40c a share in the latest fiscal year, compared with 44c a year earlier.

Another company to chalk up market gains over the past 12 months is **Crow's Nest Pass Coal Co.** At its recent price of $18.25 the stock is selling at 29.9 times 1959 earnings of 61c a share (78c a share in 1958). The dividend rate of 60c gives it a yield of 3.28% at this price.

The stock hit a 1960 high of $19.50 in April after an option was granted to **United States Steel Corp.** to purchase Crow's Nest coal and real properties as part of its plan to set up a steel plant on the U. S. West Coast.

Under the option terms, Columbia Iron Mining Co., a wholly owned subsidiary of U. S. steel, will spend $500,000 on exploration of Crow's Nest coal lands during the next four years.

Company also has the right to purchase a substantial portion of the coal properties for $10 million or all of the coal operations for $17 million.

Timber, petroleum and natural gas rights would not be affected.

Crow's Nest has received a 100,000-ton coking coal order from Japan, and hopes to supply coke to the pig-iron plant being built at Kimberley, B.C., by **Consolidated Mining & Smelting Co.**

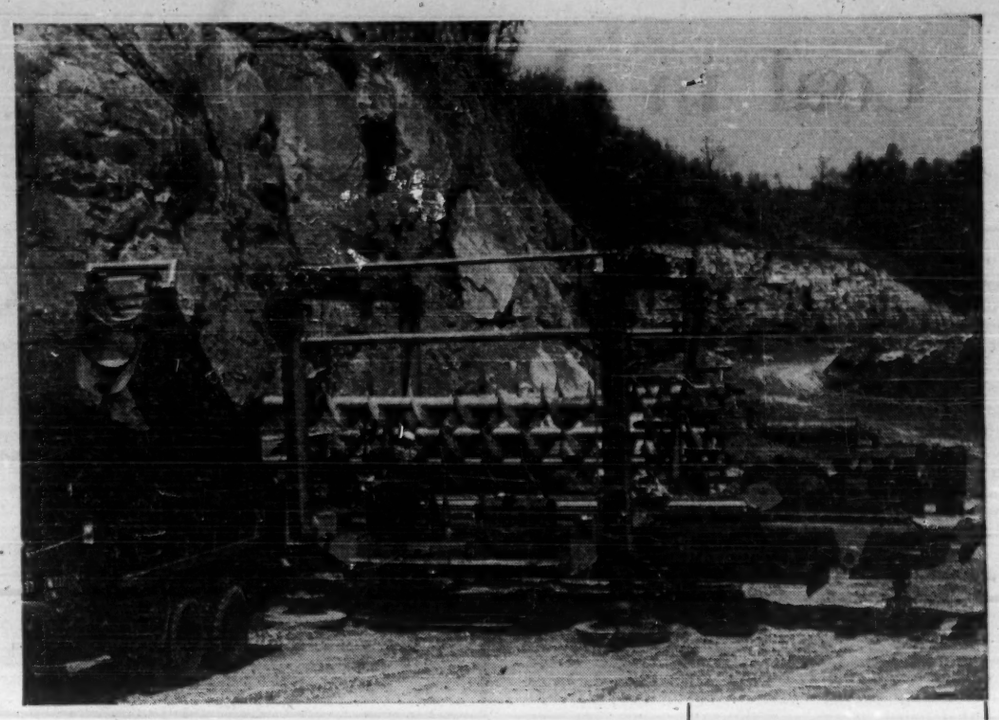
A similarly diversified western coal company, **Canadian Collieries Resources Ltd.,** showed a profit of 35c a share for the year ended March 31, 1960, against a loss of 22c a share a year earlier.

No dividends have been paid on the common since 1952, but at its recent price

(Continued on page C-11)

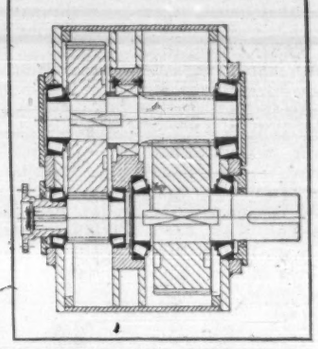
How Coal Stocks Compare

	Price per Share 1960 High	1960 Low	Year Ago	Change since year ago	Per share earnings latest fiscal year	1959 dividend	Yield	Price/earnings ratio
	$	$	$	%	$	$	%	
Canadian Collieries Res.	7.13 11.13	7.00	6.88	+3.6	0.35	...	...	20.4
Coleman Collieries B	0.35 0.36	0.32	0.35	NC	nil	...	...	...
Crow's Nest Pass Coal	18.25 19.50	15.50	16.00	+14.1	0.61	0.60	3.28	29.9
Dominion Coal 6% cum. pref. $25 par	2.95 4.25	2.25	6.25	—52.8	d8.65	...	...	...
Great West Coal A	4.50 5.00	4.15	5.75	—21.7	0.40	0.50	11.11	11.2
do. B	2.85 3.85	2.95	4.80	—40.6	0.40	0.37½	13.16	7.1
Hillcrest Collieries	4.50 5.25	2.45	2.75	+63.6	nil	...	...	...



COMPTON "TWIN HEAD" AUGER MAKES THIN SEAM MINING PAY

...Timken bearing capacity makes it even more profitable



How COMPTON, INC., uses Timken bearings in the main drive transmission of its "Twin Head" coal auger to take heavy loads, cut maintenance.

THIS coal auger makes high hourly tonnage production from thin seams possible—and makes it pay. With a drilling depth of 150 ft., it drills within 4¼" of the bottom for maximum recovery. And to take the heavy thrust and shock loads, assure economical operation, Compton uses 6 Timken tapered roller bearings in the main drive transmission, 6 in the power divider transmission, 4 in the auger spiders. Here are 2 big reasons why:

1) *They're extra tough* because they're made from the finest bearing quality alloy steel available.

2) *Extra capacity* makes Timken bearings give longer life. To make sure they do, we have the most modern physical laboratory in the bearing industry for testing bearings, transmissions and other drive units. It runs them under conditions tougher than those found in actual service. To get better machines, be sure they're Timken bearing-equipped. ***When you buy Timken bearings you get...1) Quality you can take for granted. 2) Service you can't get anywhere else. 3) The best-known name in bearings. 4) Pace setter in lower bearing costs.*** Canadian Timken, St. Thomas, Ontario, Canada. Division of The Timken Roller Bearing Company. Timken bearings manufactured in Canada, Australia, Brazil, England, France, and U.S.A.

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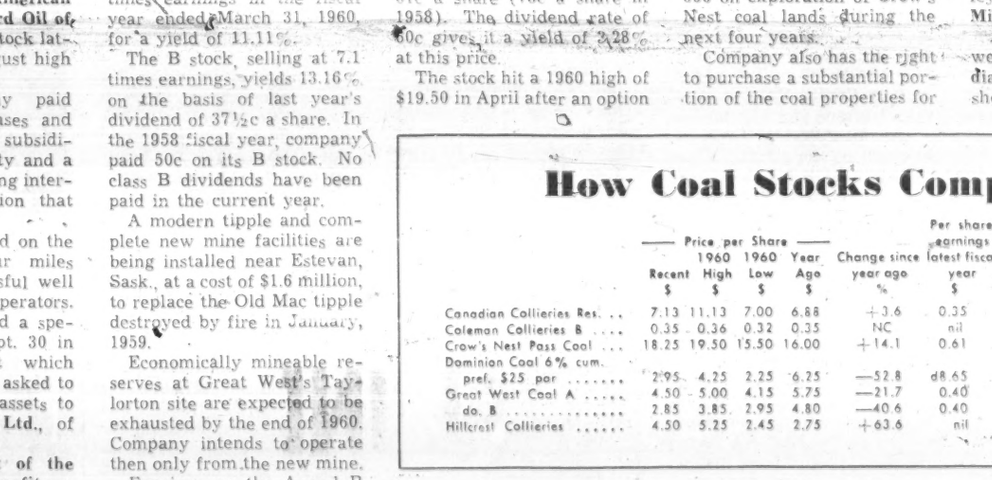
CANADIAN COAL INDUSTRY

FOR CANADIAN

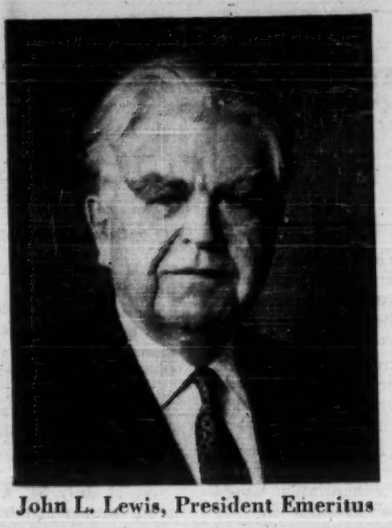


A good 40% of Canada's coal is mined here in Nova Scotia — and it is now being delivered as far west as Ontario at competitive rates. In production, quality and price Nova Scotia coal is making a significant contribution to the industrial development of this great country. Where coal can be used, buy Canadian — and help the coal industry to help Canada.

NOVA SCOTIA DEPARTMENT OF MINES

HON. E. A. MANSON, Minister J. P. NICHOLAN, Deputy Minister

4224



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CONGRATULATIONS

TO THE

COAL INDUSTRY OF CANADA

AND THE

BITUMINOUS COAL INSTITUTE

ON YOUR SPECIAL SUPPLEMENT FOR 1960
IN CANADA'S IMPORTANT JOURNAL
THE FINANCIAL POST...FROM THE

United Mine Workers of America

Coal in the Provinces

New Brunswick

While Canadian coal production has been sagging to a 50-year low, the industry in New Brunswick, unlike its hard-pressed counterpart in Nova Scotia, has been jumping to new records.

Output for 1959: nearly 980,000 tons, up from 347,600 tons in 1945.

Since the end of World War II, strip mining has become the principal method of extraction and now accounts for 80% of the output against a 50-50 split between strip and shaft operations as late as 1947.

Strip mining entails the use of large draglines and a relatively small labor force which is reflected in a favorable man-day production ratio.

In 1959, although 572 men were employed in stripping and 460 men in shaft mining, the ratio of strip production to shaft production was 4.5 to 1.

Output per man-day in stripping was 5.4 tons; in underground production, 1.8 tons.

The New Brunswick Royal Commission on coal under W. Y. Smith estimated 6,000 people in the province are dependent on coal for a livelihood. Most of them reside in the Minto-Chipman area where recoverable reserves are 42 million tons.

Most New Brunswick coal is used within the province, about half the output being absorbed by the pulp and paper industry.

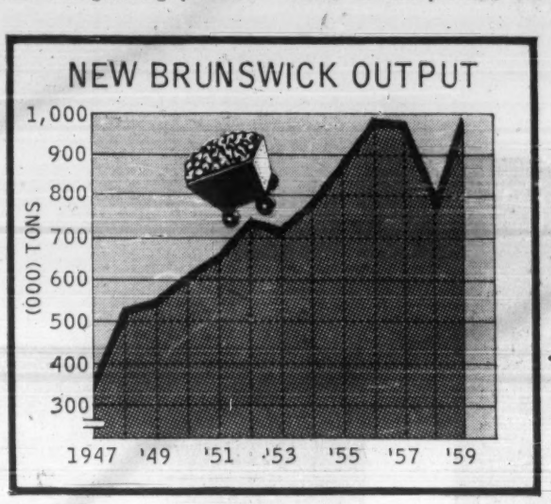
The export market consists largely of Quebec and Maine and amounts to some 300,000 tons a year, less than 10% of the Maritime export total. Nova Scotia is the big shipper to Central Canada.

Quebec purchasers have been largely the pulp and paper companies. In the 1958-59 coal year, only 1,000 tons were shipped for railroad use in Quebec and Eastern Ontario.

Besides growing competition from oil, the New Brunswick industry must battle Nova Scotia coal which has a neighboring province and the expanding refinery capacity in the Atlantic region," its report says.

It predicts this twofold market impact:

- **Additional energy requirements** in the province are likely to be supplied by oil.
- **Current requirements involving coal will be maintained** only through significant price reductions.



market of some 300,000 tons annually.

Nova Scotia can compete because coal from the Minto field has more ash, more sulphur and, as received, generally more moisture.

The industry thus must offer a fairly substantial price differential to offset the inferior quality of its product. Since 1940 this price differential has increased from a low point near equality to more than 30%.

New Brunswick coal men have been able to accomplish this only because production costs in Nova Scotia have been rising faster than those in the Minto field.

The Smith Commission foresees that oil will create the more difficult problem.

"Oil competition has been increasing at a rapid rate and will continue to do so because of the world oil surplus

The new Irving refinery at Saint John is expected to produce 2.5 million bbl. of residual oil a year, the equivalent of 700,000 tons of coal.

About 800,000 bbl. will be required to supply markets currently served by imports. Another 500,000 bbl. are likely to be required by the **New Brunswick Electric Power Commission** for its new thermal plant in Saint John. The NBEPC is largest buyer of Minto coal.

The remaining residual oil from the Irving refinery will represent new competition for coal and might displace between 150,000 and 200,000 tons from Minto.

Already **Bathurst Power & Paper Co.,** reportedly the second largest coal consumer in the province, has announced a switch to oil "for more efficient operation."

Company has been using 100,000 tons of coal a year, 90% from the Minto fields, 10% from Nova Scotia.

Meanwhile the coal commission suggests that underground mechanization would open new avenues for the New Brunswick coal industry.

It urges a longwall face be set up in one of the Minto area shaft operations on a trial basis. Cost would be around $200,000.

In the summer of 1959 Franz Tiefengraber, a German mining engineer, spent two months in Minto and prepared a comprehensive report on underground mining for the Smith commission.

His conclusion:

Four of the five shafts could be mechanized to increase output, improve working conditions and promote stability of income in the area.

The commission recommended the provincial government co-operate with the New Brunswick Coal Producers Association, the United Mine Workers and the power commission in conducting the trial.

If successful it would take two years for mechanization to become general in the Minto mines.

Some other recommendations of the Smith commission:

- **New industries should be brought into Minto** to promote development and diversification. It suggests a pulp mill on Grand Lake.
- **Output should be stabilized between 850,000 tons** and 1.1 million tons a year.

Production of less than 850,000 tons would result in

Coal Board

Sees Boost from Power

(Continued from page C-2)

thirds the estimated cost of mine mechanization projects.

Initially a maximum of $10 million was set on total loans that could be made and they were to have been available only until Oct. 31, 1959.

But last year the maximum was doubled to $20 million and the program extended another five years.

As of July 31, a total of $10.2 million had been committed in more than 15 loans.

The Dominion Coal Board was established by Parliament in 1947 on the recommendation of the Carroll Royal Commission on Coal that reported in 1946.

Under its chairman, Mr. Justice W. F. Carroll, the commission found there was a need for an agency to coordinate all federal government activities relating to coal, including financial assistance.

The board became a new department of government. **It is not a part of the Mines Department, though it comes under the same minister** and there is close co-operation between the two bodies.

The board consists of Chairman Uren and six other members, who receive a per diem remuneration and travelling expenses while attending periodic board meetings. Uren, as chief executive officer, is the only full-time employee of the board.

The others are men of natonal prominence in the mining, marketing and engineering aspects of the coal industry.

They are: William C. Whittaker, Calgary; Ian M. MacLaren, Toronto; Major-General E. J. Renaud, Ottawa; Percival Streeter, Saint John, N.B.; Gustave A. Vissac, Westmount, Que.; Vincent E. Mackinnon, Sydney Mines, N.S.

Board staff comprises an assistant to the chairman, C. L. O'Brian; a financial officer, D. A. Edgar; a statistician, A. W. Lovett, an administrative officer, G. W. McCracken, and some 14 clerks, bookkeepers, stenographers and typists.

The board recommends subvention rates to the government on an annual basis and then must be prepared to defend them before Parliament, which is called upon to approve them finally.

The board can call in outside experts to make special studies it feels are essential.

It was the importance of coal as a fuel that first brought the government into the field and the board's duties now include vestiges of emergency coal controls set up during the First and Second World Wars.

Board powers still include authority for handling the coal situation if war should come again.

But the board's main responsibility, the subvention paid on freight rates for coal shipments in Canada, arises out of the fact nature placed Canada's vast coal reserves in regions remote from the central part of the country, where most industry and population are.

Nature, furthermore, placed enormous coal resources in the U. S. region comparatively close to the industrial centre of Canada.

Further complicating the picture, in addition to the expense of shipping coal over **relatively long distances,** coal production costs vary greatly from region to region, even from seam to seam of coal. Some types of coal costs more to mine, others less.

The Nova Scotia coal industry, still the most trouble-ridden in Canada, was smack in a tariff difficulty the year before Canada became a nation. The U. S. had put a tariff of $1.25 a ton on Nova Scotia coal going into eastern states.

Nova Scotia producers turned to the markets along the St. Lawrence and began developing them. But they had troubles and in 1888, after a parliamentary committee study, a protective tariff was established to help the Nova Scotia producers.

But finally, after five years of study by various bodies in the early 1920s, the federal government decided to try subsidizing the movement of coal to markets in Ontario and Quebec from mines in both eastern and western Canada.

It is from this beginning that the subvention policy now occupying so much of the coal board's activities grew.

"a level of unemployment which would present serious problems for the area" and production in excess of 1.1 million tons would result in too rapid depletion of reserves.

- **Producers should negotiate with owners of existing wash plants** to have their coal washed on a custom basis.

D. W. & R. A. Mills Ltd. and **Avon Coal Co.** have washing plants with combined annual capacity of 850,000 tons, nearly enough to handle the whole Minto output. They have been operating below capacity while other mining companies have been handicapped by lack of facilities.

Construction of additional washing capacity should be delayed until a trial mechanization program is completed, the commission believes.

Need Plan For Future

(Continued from page C-3)

of some 26.5 million tons by 1980 would far exceed the possible production of Nova Scotia," says Dosco.

"Only a portion of this market would be necessary to maintain steady employment. Our coal has proven satisfactory for their use and stable requirements would permit mining operations to be based on a solid footing."

Ontario Hydro, however, says it has no orders pending for Nova Scotia coal.

In fact, it will be buying very little coal from anywhere next year, having adequate stocks.

Last year, the electric utility made a test burn of 10,000 tons of the East Coast coal and found it satisfactory.

However, further orders will await prices low enough to compete with U. S. coal.

It feels interim markets are available to keep the mines operating. And to do this will be necessary for the government to maintain a substantial subvention program.

Otherwise the Nova Scotia industry will have to contract itself to the point where it will supply only local markets adjacent to the mines.

World Coal Production

	1955	1956	1957	1958	1959
	000,000 tons				
Russia	390	430	483	496	506
U. S.	446	489	466	431	430
China	n.a.	n.a.	130	270	348
European Community	240	249	248	246	235
U. K.	226	226	228	216	206
Poland	94	95	94	102	106
India	38	39	42	42	47
Japan	n.a.	n.a.	n.a.	50	48
South Africa	33	34	36	37	39
Australia	30	30	32	32	32
Czechoslovakia	22	23	24	25	26
Hungary	n.a.	n.a.	n.a.	24	25
Yugoslavia	n.a.	n.a.	n.a.	19	21
Canada	14	15	13	12	10

THROUGHOUT Canada, industry as well as the domestic fuel trade look to Weaver Coal Company as the country's largest distributor of solid fuel.

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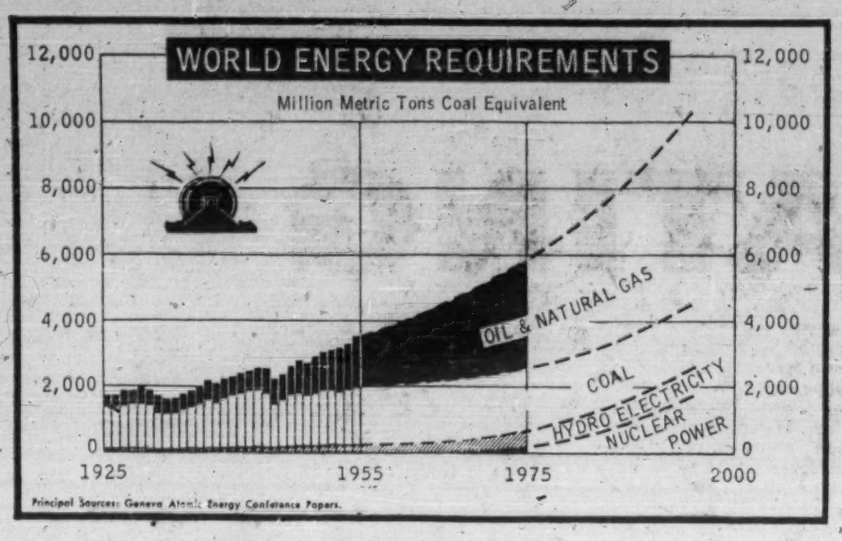


Coal Industry

Problems World-Wide

Coal is a world-wide problem.

- **There has been a tremendous drop in production in the Western countries since 1957** with Canada and the U. S. suffering the greatest reductions.
- **Inland consumption in Britain declined five million tons** in 1957, 10 million tons in 1958 and 18 million tons in 1959.
- **Japan has a glut of inferior coal but a shortage of coking coal,** some of which must be imported from Canada to meet the requirements of the steel industry.
- **Communist countries have been expanding their coal output steadily** but as in other countries oil is expected to make serious inroads on the fuel market.
- **Russian production now exceeds that of the U. S.** In 1959 it was 506 million tons.

U. S. bituminous coal production has sagged to 410 million tons a year from a postwar high of 630 million tons in 1947. However the industry is betting heavily on its own future and, by substantial capital investment in new equipment, has raised its efficiency.

With the aid of giant machines, the U. S. miner produces 10.7 tons per working day in all mines, strip and underground. This is more than twice as much as he produced in 1942.

Once the railroads were U. S. coal's best customer.

In 1944 they used 132 million tons. Now with the raucous horn of the diesel echoing across the land, Class I roads use less than eight million tons for all purposes including powerhouses and shops.

The booming utility market has moved into first place among coal's customers and on further expansion in this field the industry pins its main hopes.

Electric utilities used 161 million tons of coal in 1957 and by the end of 1960 another 28 million kw of steam-electric generating capacity will have been added.

Despite promising long-term prospects, the U. S. coal industry faces continued stiff competition from oil and gas. Producers, the United Mine Workers Union and coal-carrying railroads have formed the National Coal Policy Conference to promote the industry's interests "on the broadest possible front."

Object: equal treatment from the government.

The conference is seeking, for example, an increase in the coal depletion allowance for tax purposes "to meet rapidly rising costs of operation and to accumulate the capital needed for future expansion."

The depletion allowance for coal is 10%, for oil 27.5%.

In Britain output from the end of World War II until 1957 averaged 220 million tons when a downturn began.

In 1959 the sale of oil in Britain, where it was in competition with coal, exceeded 30 million tons coal equivalent. Power stations alone accounted for six million tons, according to John D. Whetton, professor of mining, University of Leeds.

"Before 1958 the growth of the fuel oil market had no effect on coal and in fact benefited the country by bridging the energy gap. Economically, there was little advantage to the consumer in using oil despite its technical advantages," said Professor Whetton.

"During the last two years there has been a world glut of oil and falling prices have led to serious competition for traditional coal markets."

Today the National Coal Board is seeking higher productivity by closing certain mines.

Its aim: to concentrate on the more efficient coalfields of the Midlands and Yorkshire. This year some 46 collieries will be closed, reducing annual output by nearly five million tons. By 1965 up to 240 U. K. collieries will be closed and the labor force reduced by 11%.

In European free countries, the rapid drop in coal consumption is causing alarm.

Coal still supplies 62% of the energy in the European Coal/Steel Community but in the last two years consumption dropped 8% while use of petroleum products soared 59%, electricity 21% and natural gas 75%.

According to the ECSC Bulletin, "the important task of the community is to organize the retreat of coal in such a manner that it will not cause damage to the mine workers."

The retreat, of course, is not uniform. In 1959 production declined 16.8% in Belgium, 6.2% in West Germany, 2% in the Saar and 0.4% in France. Production rose 1.8% in Italy and was stationary in the Netherlands.

The Organization for European Economic Cooperation says the future market for coal will depend primarily on production at a price that will make it competitive with other forms of energy.

Unless the long-term undrift of the relative cost of production of European coal can be arrested, the market is likely to contract, it says.

It recommends:

- **Concentration of production where prospects for increased** productivity are greatest.
- **A more flexible price policy in times of surplus and** scarcity rather than stabilization of coal prices.
- **Increased transformation of coal into secondary forms of energy,** easier to distribute and more convenient to use.

In sharp contrast, the Communist countries have been expanding their coal industries steadily due to industrial expansion in previously undeveloped areas.

Increased production in Russia has been achieved through mechanization of collieries. However the new Seven Year Plan envisages a reduction in coal used for power production from 60% to 43%. Fuel oil and natural gas would fill this role.

Russian production in 1959 at 506 million tons was up from 390 million tons in 1955.

A 22.6% rise in exports of anthracite and bituminous coal to Western Europe highlighted the year's solid fuel trade by the Russians. East Germany continued in 1959 to be the Soviet Union's best customer, taking six million tons out of total exports of 13.5 million tons.

Czechoslovakia, Hungary and Poland round out the list of principal East European recipients of Soviet solid fuel, although last year's shipments to Hungary were down, a reversal of the trend of the two previous years.

Exports to the ECSC countries were 1.4 million tons, principally anthracite to France, up 165,000 from 1958.

According to Prof. Whetton, Hungary hopes to increase her output by some 15% by 1965 while development of thermal power stations in Bulgaria will boost coal output to 25 million tons by 1962 and 33 million tons by 1965.

East Germany and Yugoslavia are both steadily increasing coal output but the other important Communist coal producer is Poland. Great strides have been made there over the last five years and Poland aims at exporting one-sixth of her output which by 1965 will reach 140 million tons.

China's pattern is similar to Russia's. Production leaped from 130 million tons in 1957 to 270 million tons in 1958 and 348 million in 1959.

China is particularly fortunate in that much of her coal is coking coal near abundant iron ore deposits.

Japan's coal industry is in bad shape with stockpiles at a postwar record of 12 million tons, up from eight million tons in 1958.

While sales are slumping, prices are drifting off and nearly all Japanese coal mining companies are operating at a loss, an anomaly exists. Japan is short of metallurgical and steam-rising coal.

Total Japanese imports in the first four months of 1960 were 2.3 million tons of which the U. S. accounted for nearly 71%. Australian and Canadian coal continued to enter Japan in large quantities.

From Canada's western fields this year Japan will take 540,000 tons — 100,000 tons of semi-anthracite, the balance coking coal.

Bright Outlook For Imports...1980

Next month, **Du Pont of Canada's** big nylon plant near Kingston, Ont., will switch over to natural gas as a fuel. The gas will replace coal imported from the U. S.

Next year, **Ontario Hydro** expects to import some 456,000 tons of coal to fire its thermal electric generating stations. By 1981, coal imports required for this purpose could reach an estimated 28.8 million tons, Hydro says.

These facts are not unrelated. They illustrate the situation in which coal importers in central Canada find themselves today.

The long-term outlook—if only measured by Hydro's requirement forecast—is bright.

Coal importers themselves claim that by 1980 the potential market for U. S. coal in Canada will be considerably larger than ever before.

It is what is happening now that worries them.

Competition from other fuels — principally low-cost natural gas — have cut coal imports to this country to half of what they were in 1950.

Du Pont is only one of a growing number of large industrial fuel consumers in Ontario who have switched to gas or oil piped in from Western Canada.

In Montreal and parts of eastern Ontario, traditional markets for U. S. coal have also been squeezed by competition from heavily subsidized Nova Scotia coal.

Far from being adverse to normal, healthy competition, what disturbs the importers is that both of these assaults on their long - established markets in central Canada are, to a degree, government-supported.

They argue:

Canadians have purchased coal from the U. S. on the basis of sound economic principles for nearly 100 years. We needed a reliable, cheap fuel and one that was close at hand.

U. S. coal met this need and continues to meet it. It has powered Canadian industry and warmed Canadian homes through generations of Canadian progress. During World War II, Canadian industry was given a priority as good as any in the U. S.

This need is not over say the importers.

Virtually all of the coal imported by Canada (over 90% of it is sold in Ontario) comes from the rich beds of bituminous coal lying in the U. S. immediately south of the Great Lakes. The prewar volume imported from the U. K. has dwindled to less than 1% of the total.

Canada's mineable coal reserves have been estimated at less than 110 billion tons — little of it readily accessible to large industrial markets.

The U. S. has almost 1.9 trillion tons left in the ground, or 90% of the coal in North America. Canada's reserves are about 4.5% of the continent's total.

Since 1930, Canada has imported almost 490 million tons of bituminous coal from the U. S. This traffic has varied from a prewar low of about 8.5 million tons a year during the early 1930's to a high of more than 24.3 million tons in 1944.

It reached a postwar low of 11.8 million tons in 1958 and rose to 12.1 million tons last year.

For the first six months of 1960, bituminous coal imports from the U. S. totaled 4.1 million tons, compared with 3.7 million tons in the first half of 1959. Second half shipments are usually double those of the first half.

In pointing out Canada's growing coal needs, in particular requirements for the generation of electricity in southern Ontario, the Gordon Commission on Canada's economic prospects emphasized that this additional energy would have to come from the U. S.

Ontario Hydro has already made tests on 10,000 tons of Nova Scotia coal which showed it could be used for firing the existing boilers at their Toronto plant.

But, the utility said it would need much further information on Nova Scotia coal if consideration were given to long-term purchases.

Most coalmen feel that this large potential market is almost certain to fall to U. S. imports.

Main problem facing the importers and operators of coal docks in Canada is how to hold out on the present slim volume of business until these larger markets develop.

They have told the Borden Commission on energy and, more recently, the Rand Commission on coal of the dangers involved in the dislocation of the complex apparatus for producing, transporting and distributing U. S. coal in Canada.

Coal is a volume business. It cannot be turned on and off like a gas valve. Shut down a mine and it floods, its machinery rusts, its skilled workers seek jobs elsewhere. It is difficult and expensive to bring into production again.

What of the lake freighter fleets and the railway cars which move the coal to Canadian markets? What of the smaller coal docks and handling yards?

Even though coal docks and yards are storehouses of energy, they cannot survive without a reasonable volume of business. They cannot be closed down and reopened at will.

Limited Canadian consumption of U. S. coal is barely sufficient to justify maintenance of existing dock facilities, dock operators say. Although they are confident this slump is only temporary, a number of smaller docks have already been forced to close down.

Current Canadian fuel policies are unrealistic, say the importers.

They say they jeopardize the continuity of supply from the U. S., and they penalize the Canadian taxpayer for the benefit of private interests.

In their brief to the Rand Commission, Canadian importers and distributors of bituminous coal cited the example of a government installation in Ontario where the use of subsidized coal from Nova Scotia involves the taxpayer in a government expenditure of over $100,000 to provide a market for a mere 13,000 tons of coal.

Subventions (dealt with elsewhere in this issue), loss of duty, and difference in the selling price between U. S. and Nova Scotia coal amount to more than $8 per ton.

This amount the government pays to make coal from the Maritimes somewhere near competitive with the U. S. import.

Importers hope that the Rand Commission will come up with a permanent solution to Nova Scotia's coal marketing problem which will enable the industry to become stabilized on a businesslike basis instead of being nursed along with subventions.

More powerful competition for the importers is coming from natural gas.

There is no doubt that natural gas in the initial marketing years can undersell coal in almost any Canadian market fed by pipeline, coal importers say.

But, experience in the U. S. has shown that natural gas becomes increasingly expensive as the first cheap supplies are burned up and the cost of opening new reserves mounts steadily, they say.

Coal not only again becomes competitive, but, price-wise, more desirable.

But what has happened in the interim?

The markets taken away from Canadian coal docks by the cheaper natural gas will have resulted in the closing of many of the docks, particularly in smaller centres.

Many will have been irrevocably converted to [illegible] uses, delaying or preventing a resumption of assured supplies of low-cost coal.

Confused Stock Picture

(Continued from P. C-8)

of $7.13 the stock was selling at 20.4 times latest earnings.

Company has substantially withdrawn from the coal mining business and become more active in its logging, saw-milling and plywood operations. It also holds interests in iron ore properties and gas and oil acreage.

Canadian Collieries is understood to be currently negotiating the building of a pulp mill to be served from its extensive timber resources.

Stock of Coleman Collieries, the lowest priced on the list, traded infrequently during the past year and with little change. In the fiscal years ended June 30, 1958, 1959 and 1960, company reported neither a profit nor a loss.

Company is continuing with the delivery of a 100,000-ton coking coal order to Japan to be completed before March 31, 1961.

The McGillivray mine was closed last May, and all underground mining operations are now confined to the Vicary mine.

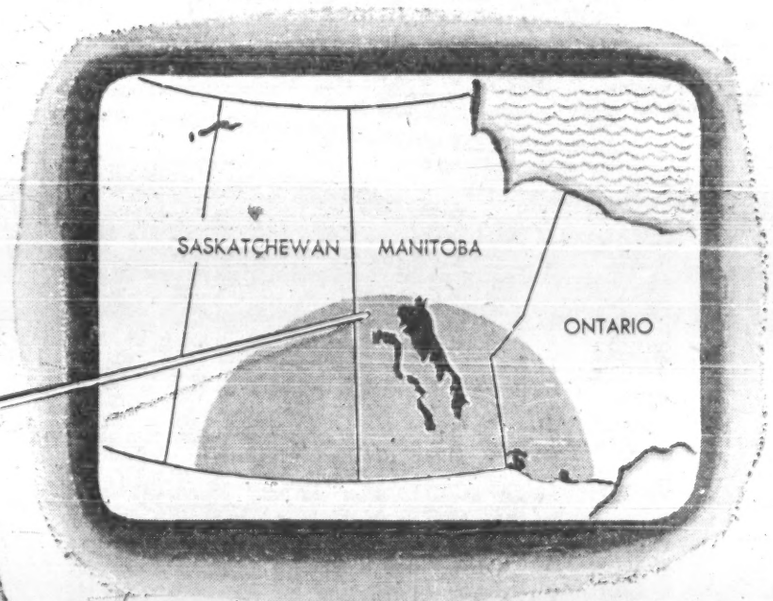
Company has an investment in construction equipment of about $1.3 million. Last year's profits on the general construction business amounted to $194,206, President F. J. Harquail says.

The preferred stock of **Dominion Coal Co.** has declined 53% in the past 12 months. In the fiscal year ended July 31, 1959 (latest reported), company had a loss of $8.65 per preferred share. At that time, company said that the prospect for improvement in coal sales was doubtful.

Common stock is all held by the parent **Dominion Steel & Coal Corp.**

Gentlemen . . .

IN THIS AREA



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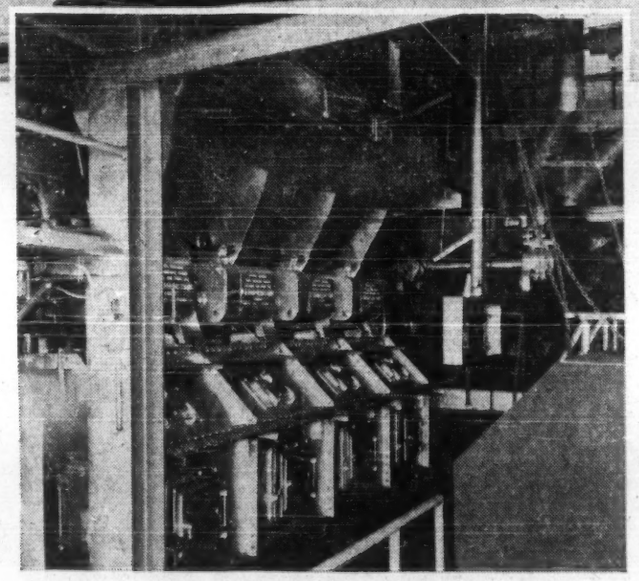
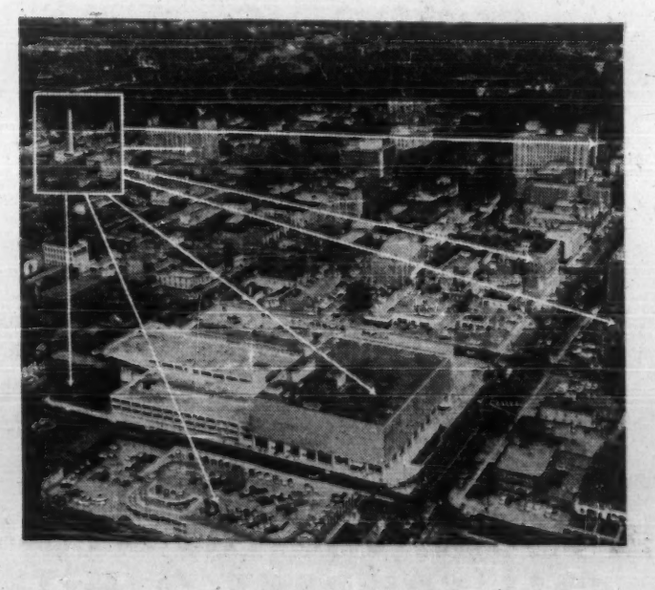


ONE BOILER ROOM (PHOTO ABOVE)

Saves millions of dollars in capital costs for over 350 clients of Cities Heating Company Limited. (PHOTO BELOW)

During the Summer months this same boiler-room feeds steam air-conditioning units operating on the heat-exchange principle.



LOW COST CENTRAL HEATING

London, Ontario is another example of the revitalization of the "heart" of a City—similar to developments in New York, Chicago, Montreal and Toronto.

Wellington Square Shopping Centre is a magnificent example where the centres of older cities have been made dynamic through an aggressive planning programme. The T. Eaton Co. Ltd. Canada's largest retailers, collaborated with Webb & Knapp, North America's greatest realtors, on this progressive development. Where Central Heating is available such a vast project is naturally attracted through lower costs of heating and/or process steam. In London, Coal offers the greatest economy for mass production of heat and/or steam.

In the case of Wellington Square which comprises a 5-level T. Eaton Co. Ltd. building, a Dominion Supermarket, 50 other retail stores and businesses plus the mammoth covered Mall, the entire project is heated through underground pipes by Cities Heating Company Limited. It is estimated that the cost to each individual user is well below any other method of heating.

Major capital costs have been saved by Eaton's, Dominion Stores and the others due to the fact that no individual heating plants or boiler rooms are needed: in all cases heat or process steam is delivered from the central coal fired plant via underground pipes.

For all large projects we invite architects, engineers and investors to investigate the economies possible with Central heating; as in the case of Wellington Square, London, Ontario, you will find that in the long-span Coal can deliver you considerably more profit on your investment.

For further information or additional case histories showing how other plants have saved money burning Coal the modern way, write to Bituminous Coal Institute of Canada at 159 Bay Street, Toronto.

Where costs count – Coal is the fuel

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